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PEGORARO OFFERS DETAILS ON YACYRETA LOAN ACCORD

Buenos Aires LA PRENSA in Spanish 18 Sep 79 p 1

[Text] The president of the Yacyreta Binational Unit, Jorge Pegoraro, has announced that the loan agreement with the World Bank and the IDB for financing of the project will be signed on the site in the first week of November. The heads of those institutions, Robert MacNamara and Antonio Ortiz Mena, respectively, are expected to be present at the ceremony.

Pegoraro also confirmed that in coming weeks the Unit will call for bids on the construction of large-scale civil works, expected to cost more than a billion dollars.

He repeated that the compensation for the territories to be inundated by the dam will be paid for by the users through a surcharge in the rates, but asserted that the amount will be minimal, so that "no one is going to notice it."

In statements to the press, Pegoraro alluded to the negotiations just completed in Washington, and declared that during meetings held there with authorities of the IDB and World Bank it was agreed that the signing of the loan agreements would take place "in the area of the project" in the first week of November.

Regarding the presence of the presidents of the IDB and the World Bank, Pegoraro confirmed that Ortiz Mena would attend; and as for MacNamara, he cautioned that "it is not completely sure" but was "possible" that he would be there. If not, the vice president of that institution would attend.

Replying to a question, Pegoraro confirmed that a formula has already been worked out to solve the problem of compensating Paraguay for the flooded territories, and emphasized that "this has already been agreed upon and appears clearly in the reciprocal documents that were signed in Asuncion."

When asked for precise details of the formula agreed on with Paraguay regarding compensation, Pegoraro said that "the mathematical position is closely related to the future annual energy production of the hydroelectric dam, an annual production which will vary because it is directly related to the flow of water in the river, so that it is going to change every year."

"Moreover," he continued, "there is a coefficient which is the unit economic cost, and this is calculated by a method very similar to that used by Water and Power or SEGBA [Greater Buenos Aires Electrical Services Company]. A third factor is the coefficient 0.089, which is the result of the negotiation, and is linked to the area inundated." "All this," he explained further, "gives a result which will change each year, because except for the 0.089 the others are variable factors."

Example

Pegoraro mentioned as an example that: "at a theoretical average price of what is calculated theoretically; and if the formula were to be applied today with the hydroelectric plant functioning with its 20 turbines, this fund to be formed would be on the order of \$26 million, of which the binational unit would earmark \$5 million to pay for the lands flooded on the Argentine side, and \$21 million to pay for the flooded lands of the Paraguayans."

"We would agree," he continued, "that the user pays for this fund; that is, it is a surcharge made on the electric bill, and that the binational unit receives it and distributes it."

"I must make it clear," he said, "that since initially Argentina will be the one who will buy all the electric power, only the Argentine consumer is going to pay this surcharge."

"But with the passage of time," he concluded, "Paraguay certainly will make use of the right it has to use up to 50 percent of the production. In that case, when that occurs, the Paraguayan user will also pay the surcharge."

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CSO: 3010

FIRST REPORTS ON SALTO GRANDE OUTPUT TERMED SATISFACTORY

Buenos Aires (LA OPINION in Spanish 18 Sep 79 p 12)

[Text] The Binational Commission which administers the Salto Grande hydro-electric plant charged a million dollars for the provision of power to Uruguay and Argentina last August, it was announced yesterday in Montevideo by the head of the body, Jorge Echeverria Leunda. That sum, coming from the output of only one of the turbines of the plant--which will have 14 in all--ensures that the financial obligations taken on by both countries to cover the costs of the project will be carried out. They must be paid off in 1998.

Echeverria Leunda, who traveled to the United States and France to negotiate new loans, which will be earmarked for financing construction of the navigation canal and its locks, specified that the million dollars taken in August represents a period between the 8th and 31st of that month. The only turbine functioning at present at Salto Grande, called "Victoria," was inaugurated by Presidents Jorge Rafael Videla and Aparicio Mendez last 21 June. The other turbines are being gradually installed, and it is expected that the dam will be in full operation by the middle of next year.

The high official of the Binational Commission made it clear that, although the sum taken in is satisfactory, it should not be expected that astronomical figures will be collected in the future, since technical and economic factors will work against this. In any case, he assured, we may be optimistic about the prospects of fulfilling the financial obligations contracted by both nations in construction of the project.

The production of the first turbine at Salto Grande, which has been sold by the Binational Commission to power companies of both countries, was used in the region adjoining Salto Grande on both sides of the Rio Uruguay. That production amounts of 135 megawatts, while all the turbines together, when they are installed, will generate 1,890 megawatts. That energy production will permit Argentina and Uruguay a saving on the order of \$160 million annually, which otherwise would be invested in importing fuels and other energy sources.

The locks and the navigation canal will allow the passage of ships to the Upper Uruguay. The construction will face on the Argentine side of the river.

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CSO: 3010

ARGENTINE-BRAZILIAN TRADE RELATIONS ANALYZED

Buenos Aires LA OPINION in Spanish 11 Sep 79 p 11

[Text] Alejandro Estrada, Secretary of Commerce and International Economic Negotiations, has made a careful analysis of bilateral Argentine-Brazilian relations.

The government official appeared to favor setting up "permanent rules" for negotiations with the neighboring country, and he estimated that commerce between the two nations will amount to \$1.5 billion in 1979.

He said this during the inauguration of the Tenth Meeting of the Special Argentine-Brazilian Coordination Commission (CEBAC), which will last until tomorrow.

The opening session took place in the ceremonial hall of the secretary of state for commerce. After tomorrow the deliberations will be held in offices of the Banco de Brasil.

In this way, an old contact which had been broken off for 5 years has been resumed.

Among the subjects under consideration by the commission are: trade relations (conduct, possibilities of expansion, and administrative restrictions), economic integration, industrial development, transfer of technology, the position of both countries in regard to the restructuring of LAFTA, possibilities for reciprocal investment and bilateral undertakings, matters relating to transport and tourism, among others on a sizeable list.

On opening the meeting, Estrada, who heads the Argentine delegation, expressed his "special satisfaction" on the reactivation of CEBAC, as a significant step toward increasing Argentina and Brazil's trade relations.

He maintained that commercial relations between the two countries yielded "almost surprising results during 1978, reaching a total of nearly \$900 million; while this year they will almost surely surpass \$1.5 billion, if present trends can be continued."

Earlier, referring to the deliberations themselves, he indicated that the "extensive agenda" under consideration is aimed toward increasing relations between Brazil and Argentina, in the economic field as well as the scientific, "but the economic area is something more than the merely commercial," he explained.

Regarding the restructurization of LAFTA, he said that that organization should tend toward "an increase in membership," and it should "serve as a means to improve relations between Brazil and Argentina."

This means the establishment of stable trade relations, and the permanent consultation machinery, since--said Estrada--"we are convinced that we will have an important area member in Brazil."

On his part, the leader of the Brazilian delegation, Ambassador Joao Hermes Pereira de Araujo, head of the America de Itamaraty Department, stated that: It is in the spirit of the broadest and most abundant satisfaction that the Brazilian delegation comes to Buenos Aires, with the aim of once again studying with the Argentine authorities the appropriate subjects contributing to commercial relations and economic cooperation between both countries."

Ambassador Hermes Pereira de Araujo pointed out with particular emphasis that "the Brazilian government is convinced that the goal of prosperity which the developing countries aspire to will be more easily reached through mutual collaboration and joining of forces."

Finally, the Brazilian official declared: "It is our wish that this meeting should give rise to determination of the measures necessary for a sustained growth in our trade, and the overcoming of obstacles and difficulties which perhaps exist, which stem from the intensity and intimacy of our relationship itself; aiming also for the achievement of a balanced and adjusted exchange on both sides."

Concluding the proceedings, the Secretary for International Economic Negotiations, Juan Dumas, reported that last year trade with Brazil showed a surplus of \$200 million in favor of Argentina, which was repeated in the first 7 months of this year, fully justifying the efforts to increase bilateral relations.

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INTER-AMERICAN AFFAIRS

BRIEFS

U.S. CARIBBEAN MANEUVERS SCORED—The dramatic situation in which millions of Latin American exiles live was denounced this past Sunday at the opening ceremony of the First International Conference of Solidarity With the South American Continent being held in Caracas. Speaking at the opening session were Ernesto Diaz Montes, vice rector of Caracas' Central University; Nicaraguan Culture Minister Ernesto Cardenal; French jurist Francois (Rajoi); Venezuelan Jose Herrera Oropesa; and Hortensia Bussi, widow of President Salvador Allende, among many others. In his speech, Nicaraguan Culture Minister Poet Ernesto Cardenal stated that exile now is a great problem in South America. Cardenal asserted that today, more than ever before, solidarity is of great importance in Latin America. He stated that the Latin American exiles will only return to their beloved lands as a result of the struggle of their peoples. For his part, conference executive secretary Jose Herrera Oropesa said that the North American attempt to create an inter-American force in the Caribbean Sea will fail, if it has not already failed resoundingly. Oropesa stated that the forum cannot ignore today's problem in that especially tense area as a result of North American President James Carter's proposal. In addition, he referred to the recent landing of North American naval forces at Guantanamo, a territory occupied by the Washington government against the will of the Cuban people. [Text] [FL221354 Havana Domestic Service in Spanish 1100 GMT 22 Oct 79 FL]

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REPORTAGE ON VIDELA'S VISIT TO JAPAN

Visit Objectives, Accords

Buenos Aires LA NACION in Spanish 12 Oct 79 pp 1, 14

[Text] Tokyo (Special Correspondent)—"I did not come to Japan to sign contracts, but rather to create the political climate for future contacts." This was President Videla's way of describing, indirectly, the results of his visit to Japan, concerning which he expressed great satisfaction.

With Ohira

The meeting held by the president with Prime Minister Ohira during the final day of official activity here resulted in the latter's emphatic statement that, although Japanese assistance to the SOMISA [Argentine Joint Iron-and-Steel Association] expansion project is necessary in order to intensify the bonds between the two nations, "the decision on whether or not to cooperate in this project is a matter which concerns private industry."

Ohira assured General Videla that the regulations on financial exchange in Japan have been completely liberated, remarking that it is up to Argentina to create the economic and political conditions for encouraging Japanese investment.

The Argentine president, for his part, praised the law on foreign investment passed in his country in August 1976.

Food

Despite the reservations that had been made, the Japanese prime minister promised to send a delegation of experts to Argentina in November to study the SOMISA plan; although he said that, if this was impossible to do that month, the work could be accomplished later on.

The Japanese minister had a marked interest in the "continued presence of the Japanese fishing industry in Argentina (a study will be made on the construction of a fishing base in Patagonia), and in collaboration on the electrification of the Boca Railroad."

With regard to the possibility of importing Argentine grain and meat, he expressed his desire that Argentina "continue its efforts to meet the requirements for production."

Finally, Videla and Ohira agreed to establish an Argentine-Japanese Economic Committee on the governmental level in each country, to promote trade, investment and economic and technical cooperation.

Two Agreements

The Argentine foreign minister, Carlos Washington Pastor, and his Japanese counterpart, Sumao Sonoda, signed an agreement here on cultural collaboration and another one on technological cooperation.

Both agreements call for exchanges of specialists in these areas.

Leave-taking

At the Akasaka Palace, General Videla and his party were seen off by Emperor Hirohito and Prime Minister Ohira, when it was 0200 hours in Argentina and the early hours of the afternoon here in Tokyo yesterday.

Shortly thereafter, the president, his wife and the Argentine ministers of economy and foreign relations and worship traveled to Kyoto, where they will depart for Argentina today with the rest of the group.

Reporter's Analysis

Buenos Aires LA NACION in Spanish 12 Oct 79 p 14

[Text] Tokyo (Special Correspondent)--One of the most telling summaries of the results of the trip to Japan is the one given by the president of the nation himself during his meeting with newsmen, stating that he was pleased at the politicians' willingness to facilitate the continuation of a program of mutual interest, "because there was no attempt here to carry a contract off under the arm."

There were no great surprises in this respect. Before coming here, there was a virtual certainty among the members of the Argentine delegation that no immediate all-important results would be accrued.

The disparity in the positions assumed by the Japanese was unexpected. Whereas the talks between Lt Gen Jorge Rafael Videla and Prime Minister Masayoshi Ohira took place in an atmosphere of cordiality and understanding, the meetings held by the working groups produced long, difficult negotiations, because the Japanese officials proved to be inflexible in certain respects.

One of the most concrete examples was the rejection of the Argentine proposal to include a condemnation of terrorist subversion in the joint communique.

The Japanese authorities privately admitted that the Argentine Government's position in this regard was justified, but they objected to it, arguing from the standpoint of domestic international policy. In the internal realm, the Japanese reasons are related to the political standing that the Communist Party won in the recent legislative elections, coinciding with Prime Minister Ohira's political decline and with a crisis which appears to have become exacerbated in the official party and which, according to statements made by observers in that country, could end in a split. All these factors had unfavorable repercussions not only on the treatment of the issue of terrorism, but also on the overall results of the visit.

Insofar as the international area is concerned, Japan acted under pressure from its indispensable need to import oil, in many instances from Arab nations which are protecting terrorist groups.

This was one of the most widely discussed topics, and hence the vehemence with which the president of the nation responded to a question by declaring: "Argentina does not want to coexist with subversion; whereas, elsewhere, there is such a desire, because they are afraid of it," did not come as a surprise.

If the aforementioned contingencies had not existed, the benefits accrued might have been greater. We must consider the repeated praise which Ohira gave to Videla as a person and to his government's economic policy.

Despite everything, this presidential mission did not disappoint those who undertook it. Familiar with Japanese tactics, they claim that the main benefits will begin to be evident over the medium term.

In this connection, they give a reminder of Japan's need to import food in particular, and the expectations that were created by the announcement that our country might export uranium, a matter concerning which no further details could be learned, owing to the secrecy maintained in this regard by the members of the Argentine delegation. They confined themselves to stating that, on the occasion of the forthcoming trip by a Japanese delegation to continue discussing the pending issues, uranium would be one of them.

Peronism, Terrorism Aired

Buenos Aires LA NACION in Spanish 12 Oct 79 pp 1, 14

[Text] Tokyo (Special Correspondent)--"If the Peronist Party is organized as a political party with civic responsibility, it will have a place like any other party, so long as it gears its members and its ideas to a regime with complete democracy." This reply was given by the president of the nation during the press conference which he held with Japanese newsmen. In commenting on Mrs Peron, Lt General Videla declared: "She has been tried and is at the disposal of the courts; and hence it will be the latter that will have to determine the results of these three suits which have been brought against her for common crimes."

He explained that she is being held in a private residence, in view of her status as a former president, but added that she should be in a prison establishment.

General Videla stated that Argentina can boast of having an organized, responsible labor movement. "Nevertheless," he stressed, "the demagogic handling of the policy, in a yielding, permissive way, caused the labor and trade union members to go beyond their specific function and become political elements and factors for chaos in politics as well."

He added that it is the government's desire, at the conclusion of the process, to establish the trade union as an indispensable entity in Argentine society, "but within a reduced framework, confined to its specific function, which is to oversee wage conditions and working conditions, without any connotation of a political nature."

He explained that, in these distortions, "Peronism, which is a political movement, making use of the trade union, succeeded in politicizing it and making a symbiosis, a mixture of what was trade unionism and what was a political movement. We are attempting to subdivide that entirely."

Subversion

In response to another question, the president said that the defeat of subversive terrorism in the military area has not precluded residual effects which could have manifestations in such isolated actions as that perpetrated against Dr Klein and his family.

He was emphatic in stating: "This does not mean another outbreak; it represents the logical result of residual effects which are no different from the effects that we are also observing in other parts of the world, unfortunately."

He explained: "There is, perhaps, one difference: Argentina does not want to coexist with subversion; whereas, elsewhere, there is such a desire, because they are afraid of it."

He declared that, from its beginnings, Argentina has been a nation which loves and respects human rights, and which upholds that principle "not only for its children, but for all men, inasmuch as it considers the latter worthy as persons, since they are children of God."

Oil

The president remarked that Argentina could achieve self-sufficiency in oil supplies before 1985 if its oil exploration and exploitation continue at the present rate; and that, starting at that time, it might have exportable surpluses, for two reasons. "The first is that, simultaneously with the

oil exploitation, it is very intensively developing all the hydroelectric and thermonuclear energy projects which will replace domestic consumption of oil; and it is to be expected that, with the passage of time, this oil economy will, in itself, constitute an exportable surplus." He said: "However, we are also starting full-scale exploration; and therefore the exploitation of the submarine petroliferous basin in the south, which offers extremely significant prospects, will occur later."

SOMISA

Upon being questioned about the discussions involving SOMISA, he said that it was the government's desire to continue the effort now being made by a private sector involving advice on the iron and steel plant; adding that he hoped that "this effort for the expansion of SOMISA will continue, with the participation of Japanese capital stock." In conclusion, he stressed the private sector's interest in the matter, as well as that of the Japanese Government.

Support for Economic Policies

Buenos Aires CONVICCIÓN in Spanish 10 Oct 79 p 7

[Text] The president of the nation, Lt Gen (ret) Jorge Rafael Videla, ended his work day in Japan yesterday with a meeting with the seven leading business firms in that country, justifying to them the Argentine economic leadership and asking the Japanese businessmen to invest more capital and technology in Argentine industry.

Today, during his third working day in that country, Videla will attend an exhibit of Argentine products at the "Matsuzakaya" store; and, during the afternoon, he will travel in a "Hovercraft," a special vehicle which moves on an air cushion and which is manufactured by one of the leading Japanese steelworks, where Videla will tour the facilities.

Yesterday, during a reception with heads of the Economic Entities Federation (KEIDANREN), the Japanese Chamber of Commerce and the Foreign Trade Organization (JETRO), Videla gave a toast to a broad panorama of government negotiation that is in progress, and mentioned its political and economic aspects.

In his remarks, Videla announced that the Argentine economy was at the height of its expansion, stating: "We are approaching the self-sufficiency in oil supplies predicted by 1982," adding: "Over the next 3 years, we shall invest \$6 billion in the electrical sector, which will enable us to increase our installed power by 27 percent, and our capacity to produce electricity by 38 percent."

Concurrently, working groups comprised of Argentine and Japanese government officials continued their meetings to discuss matters relating to fish, meat and wheat.

The Argentine officials appeared to be very cautious about the prospects for success in the efforts being made to turn Japan into an importer of Argentine meat and wheat. In this connection, one of the participants in the talks pointed out that the situation was "difficult," according to an Argentine News wire.

One observer attributed this to Japan's resistance to freeing itself from the "umbilical cord" which connects it with the United States, and which is reflected in strict compliance with the health regulations imposed on meat imports, according to the same wire.

In any event, the talks will continue, and Japan's sending of technicians to check on the progress made against foot-and-mouth disease may be an indication of that country's desire to show an interest in Argentine meat.

Meanwhile, yesterday an agreement was signed whereby EXIMBANK [Export-Import Bank] and the Bank of Tokyo will finance imports of Japanese technology by Argentine firms at a cost of \$50 million.

Although many observers feel that the luncheon with the Japanese businessmen had "an importance of its own," others are of the opinion that the meeting held for nearly an hour and a half with Prime Minister Masayoshi Ohira was what proved significant. The latter is under pressure at present to leave his post, for allowing his Democratic Liberal Party to suffer its worst election defeat in the 24 years of its history.

Videla, accompanied by Dr Martinez de Hoz and the Argentine foreign minister, Brig Gen Carlos Pastor, was tendered a luncheon by Minister Ohira.

Among other things, Ohira referred to Argentina as "a nation which is the cradle of impassioned tangos," and mentioned the winning of the world soccer title in 1978 and the victory won by the youth in that country.

Meanwhile, some Japanese observers expressed their concern over how the request for investments made to a government defeated in the elections might be viewed in Argentina. Videla, for his part, told Ohira that the Argentine delegation "came to Japan prompted by very concrete reasons transcending the protocolar realm, which are a part of our concept of international policy that is aimed at direct contact between peoples and governments as one of its essential goals."

An official comment disseminated here states: "During the meeting with the Japanese prime minister, there was a discussion of the main problems related to development and world security, in particular, those associated with the energy and food crisis."

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CSO: 3010

FRAGA: 'NATION'S ANTARCTIC SECTOR IS MOST COVETED'

Buenos Aires CONVICCION in Spanish 20 Sep 79 p 11

[Text] "The need to increase economic power, which would reinforce government power, giving the country the strategic means for general defense and national security," was advocated yesterday in Santa Fe by Rear Adm (RE [retired]) Mario Lanzarini while speaking on the second and last day of the course entitled "Argentina and the Sea."

The minister of social welfare, Rear Adm (R [retired]) Jorge Alberto Fraga, in turn stated that Argentina is exploiting only 13 percent of the fishing potential of its epicontinental sea, which he described as the "most coveted frontier."

During the closing ceremony of the course in Santa Fe, the secretary of social coordination and programming, Capt (RE) Jose Cohen, meanwhile advocated "constantly increasing naval power," since this is "one of the indispensable tools which Argentina needs to deal successfully not only with economic problems, but also to influence situations in which it may be involved in the future."

The "Argentina and the Sea" course, organized by the Naval War School, was conducted in the National Coastal University and its final day began with a lecture by the secretary of maritime interests, Rear Adm Carlos Noe Guevara, with subsequent speeches by the national minister of social welfare, Rear Admiral Lanzarini and Captain (RE) Cohen.

During the speech by Rear Adm (RE) Mario Lanzarini, an expert on geopolitical affairs, referring to Argentina and the world situation he said that Argentina "is not an underdeveloped country nor can it be considered a member of the Third World." Expanding these concepts, he explained that Argentina "is able to become a major power through its production and markets," adding that "we are in a stage of total reorganization, tending economically toward a substantial increase in production."

Rear Admiral Lanzarini then referred to the "conflicts which the country must face" and to the "need to determine the national strategic goals to counteract them," advocating the establishment of "a national grouping intended to confront each of those conflicts." "We have struggled for political power domestically," he said, "but we have not been very concerned with acquiring the power needed internationally to put Argentina in its proper place among world nations."

Finally, he stated the need to increase economic power, which would bolster government power, in order to provide for national defense and to promote general prosperity and freedom.

Fraga Speaks

The minister of social welfare and former chief of the National Antarctic Directorate in turn said in his speech that "to be considered a progressive commercial nation in the world context, Argentina cannot stop being a maritime country."

"Appropriately exploiting and taking care of the sea is a way of exercising sovereignty," Rear Admiral Fraga said, subsequently explaining that "Argentina exploits only 400,000 tons" of a potential of 3 million tons annually in the fishing sector.

At the end of his address, Fraga referred to the border dispute with Chile over the Beagle Channel and stated that Argentines "are unfortunately unaware of the serious nature and importance of their geopolitical area. The Argentine sea is the most coveted frontier at the present time. If we Argentines do not react, if we do not occupy our land and sea area, there is not the least doubt that it will be occupied by others." The final day of the course was closed by the secretary of social coordination and programming, Capt (RE) Jose Cohen. In referring to the need for naval power, he said that "in response to those who may say that having naval power is a luxury in Argentina, they must be told that it is certain that not having naval power is one of the luxuries which the country cannot allow itself. It is one of the indispensable tools which Argentina needs to deal successfully not only with current economic problems, but also, and fundamentally, to influence situations in which it may be involved in the future."

11915

CSO: 3010

LEAL REASSERTS STANCE ON ANTARCTIC SOVEREIGN RIGHTS

Buenos Aires LA OPINION in Spanish 1 Oct 79 p 10

[Text] The personage of General Leal, a proud, living legend to Argentines because of his current epic adventure at the South Pole, after having virtually toured the entire Argentine Antarctic sector, and because of his persistent, unconditional defense of the nation's sovereign rights in the entire southern territory, is one of the authorities best equipped to express his views on geopolitical matters in that part of the world.

Hence the anticipation surrounding his views at the series of lectures that the Argentine Cultural Institute is arranging at the La Plata headquarters of the FOECYT [Federation of Postal and Telecommunications Workers] trade union.

He said: "The Argentine Antarctic is such an important territory that we Antarticans have coined a phrase in which we reflect its dimensions. With it, Argentina of the year 2000 will be one thing, and if we do not have it, it will be something else quite different."

Leal subsequently gave the grounds for this initial stance, declaring: "This is quite possible, because, unfortunately, our sovereignty over the area is being disputed at present, and is unknown to other countries." He later cited the importance of having our country present in a sector which hoards coal, iron, gold and uranium, but oil in particular. He went on to say: "The latter mineral is a political weapon. There are in Antarctica several nations, such as the United States, Great Britain, Norway and France, which have been hastening its exploitation. While those countries are going ahead with their exploitation, we shall lose our sovereignty."

The military man then showed a chart on which the Antarctic territory appeared on the same scale as the continent, commenting in this regard: "We Antarticans want this to be the official map of Argentina, and not the other one on which our Antarctica appears like a small inset."

Later, General Leal commented on our country's contentious situation with the Republic of Chile over the Beagle Channel. In this respect, he noted: "We

must arrive at an honorable agreement with our Chilean brothers, not a conflict, which would benefit neither Argentina nor Chile."

He claimed that a confrontation of this type would postpone the Latin American unity "which must begin with the south" for 200 years.

He also claimed that agreements have been signed with Chile wherein both sides recognize sovereignty in the matter being disputed, concluding with the statement that, "If we had the Falkland Islands, the importance of the area being disputed with Chile would be zero." And he asked: "Why have we not taken the Falkland Islands?" And he reiterated the fact that there is a possibility of reaching an honorable agreement with Chile, so as then to establish a permanent community.

2909

CSO: 3010

'CLARIN' PRESENTS OWN ASSESSMENT OF RECENT MILITARY CRISIS

Buenos Aires CLARIN in Spanish 30 Sep 79 pp 10-11

[Text] General Menendez' revolt certainly marked the high point in a week replete with political news. In any event, certain explanations are in order: For example, the position of the Third Corps' commander should not be associated with the release of Jacobo Timerman. This decision unquestionably has deeper roots dating back to the beginning of the year. The fact is that, after these movements (including the agitated military meetings), Viola has proven that he retains the leadership of the forces.

First, we shall make some statements so as not to be confused about the reality of the situation:

a. General Menendez' revolt had nothing to do with the expulsion of Jacobo Timerman, but is, rather, a move that the military leader had been planning for about 8 months.

b. What the army high command considered at the beginning of the week was not whether or not Timerman should be released. They were studying the position to be assumed with regard to the verdict of the Supreme Court of Justice; in other words, whether or not the court should be obeyed.

Now, we can analyze each of these incidents, and also observe how they are linked.

Actually, since 1 February of this year, when General Chasseing, the personal friend and confidence man of the Third Corps commander, resigned as governor of Cordoba, General Menendez became a constant critic of the leadership of the forces; although he had already attempted acts of rebellion previously.

Menendez is the only division general with whom the army chief has not held a fluent, constant dialog.

He has refrained from this particularly since an incident that he headed last January, which has at all times been kept as the most absolute military secret.

At the beginning of January, when Argentina and Chile, at the decision of their governments, signed the agreement on the easing of military tensions

in the southern region in the presence of Cardinal Samore, Menendez called a meeting of the brigadier generals under his command, suggesting to them the notion of disregarding the order given by the commanders.

On that occasion, the answer that he received was more or less this: "General, if you issue that order we shall not obey it."

Then, as now, his only ally was the second in command of the corps, General Maradona, who, from a military standpoint (wherein the troops available were of importance), neither added nor subtracted anything. The second commander of a unit, in Cordoba or anywhere else, has the same troops available that the commander does.

Then came the resignation of Chassellog, who was replaced without any consultation of Menendez, followed by further events: for example, the public criticism of the visit made by the OAS Human Rights Commission, which had been invited by the government, and the opposition to the acceptance of the court's decision in the Timmerman case.

But in between these events, Menendez did not remain quiet. During recent months, he held discussions with all sectors, particularly the political and business owning ones, to whom he conveyed, in an undisguised manner, his criticism of the leadership.

He talked with Radicals, Christian Democrats and certain Peronist sectors, whom he told (among other things) that he was in a position to become the future commander-in-chief of the army.

He was, in fact, in a professional but not a political position, as was demonstrated by the relationship of internal forces displayed yesterday.

This ambition of the military chief is connected with some events which occurred last week. We shall see why.

Menendez told those with whom he spoke that he would not, by any means agree to the formation of a movement of opinion rooted in officialism.

Why did the commander of the army allow all this to go on?

There are two reasons:

First, Viola was certain that the majority of the Third Corps forces would heed him, rather than Menendez; something which was proven yesterday.

Second, he was always ready for a peaceful removal of Menendez if the latter realized his internal weakness. To Viola, any event which might break the military cohesion, regardless of how slight it might be, is a serious matter.

Of what does Menendez accuse Viola?

According to what he has stated publicly, of "personalism" in the army command; but some distinctions must be made in this regard.

What is involved is not a criticism of the military command. No one is more personalist than Menendez or less personalist than Viola from that standpoint.

What is involved is surely a political challenge, related to the continuity of a same type of idea in the leadership of the forces.

But the latter (the constant attempt at continuity of a certain orientation) is as old as the history of mankind.

Insofar as is known, these issues have never been resolved on strictly professional terms, which is what was detrimental to Menendez on this occasion.

The only certain thing about all this is that, for the second time in 5 days, Viola demonstrated that he holds the leadership of the forces; and that, as of yesterday, matters became clearer with regard to the process that will result in the appointment of the new army chief at the end of the year.

It is the second time, in fact, because the first occasion was last Tuesday.

And now that we shall start considering the Timerman case, let us begin by stating a definite fact: The release of the former head of LA OPINION was absolutely not desired by anyone in the army, starting with its commander himself.

So, we repeat, what was being decided was whether or not to obey the Supreme Court of Justice.

What were the pros and cons regarding the obedience?

The negative aspects of the decision to assent are obvious: It was not in line with the internal views of the forces.

The positive aspect was to establish, in the first important instance, the principle of the division of powers and the independence of the justice system.

It must be clearly understood that, if the government said "no" to the court, the immediate result would be the resignation of the minister of justice from the court and, almost certainly, that of many national and provincial magistrates; all of which would produce a crisis situation with unpredictable results.

At the meeting of the high command last Monday morning, the army chief proposed to the division generals two alternatives: He sought advice, and he did not express his opinion.

In fact, there was no voting, because military discipline is not a democracy regardless of how a policy of constant consultation may be defined in this fashion. Among the military, the final decision is not delegated.

Having made this explanation, it may be said that only three division generals advised the commander to abide by the court order. They were the minister of interior, General Harguindeguy; the commander of the Fifth Army Corps, Gen Jose Antonio Vaquero; and the director of military manufactures, Gen Ernesto Diego Urricariet.

The others (Gens Guillermo Suarez Mason, Leopoldo Galtieri, Luciano Menendez, Bartolome Gallino, Jose Montes and Luciano Jauregui) thought that Timerman's release was not proper in view of his record.

It should be noted that Gen Antonio Domingo Bussi, the remaining member of the top echelon, was not in the country.

This advice was mentioned by Viola in the afternoon, to the plenary session of generals, the Military Junta and President Videla.

He received two reports from the Junta: The Navy had decided that Timerman must be expelled from the country, because that decision would benefit the nation and the process; and the air force assumed a similar position.

From the president, he received the information that he was willing to stake everything, intransigently, on the defense of the independence of the branches of government, simply because he believed in it and because that was an important point on which Argentina could defend itself abroad.

When Videla told Viola that he intended to "stake everything," it was everything, and at the same time he was making a move which cannot be repeated often in politics.

With this new information, General Viola sat down again on Tuesday morning with the division generals, telling them about it. On that occasion, he did say that he too "deemed it feasible to abide by the court's decision, realizing the reasons of a national nature which underlay that position."

He sought further advice from the high command, and the pattern of the previous day shifted: Only Suarez Mason and Menendez thought that it was not appropriate to expel Timerman.

The seven other chiefs gave the opposite advice.

During the past few days, many people have wondered: Why so many analyses and meetings, if this is how things are?

The answer is easy: because this is Viola's manner of leadership, and no other.

The views of the high command on Tuesday morning show that, if the decision had been made without prior consultation, nothing would have happened.

On Tuesday afternoon, General Viola again addressed the plenary of generals, but then, not only was the morning's decision mentioned, but he embarked on other areas: the appointment of the future commander of the forces.

He was sure about what he was saying, and words came to him naturally in dealing with a difficult matter.

It is only logical that he should have mentioned the subject when one realizes that this was the last time that he would have all the generals gathered before the meeting at which his final decision would be announced.

What did Viola say on that occasion, and concerning that subject?

Actually, nothing spectacular. He simply gave a description of the type of individual who should succeed him in leading the forces.

At this time, he said that it should be a man who is professionally suited and respected within the army.

He reportedly added: "He will also have to possess a political vocation and a spirit of sacrifice, so as to devote all his free time to the job."

He was emphatic in stating: "At the same time, he will have to have a capacity for dialog, because next year will be essentially political."

He stressed: "He will have to have good relations with the president of the nation, so as not to repeat the events of the past, during the military governments, when the frequent conflicts between the commander of the army and the chief executive led to a destabilization of the process as a whole."

No one actually knew who this individual was, but it was clear to everyone, and to Manendez in particular, that he was among those who would not be the one. Hence, yesterday's position was related to those meetings.

But, in addition, General Viola reportedly stated that there would be a general shakeup on the top echelon.

He declared emphatically: "All of this, absolutely everything, will be done according to the principles agreed upon in the regulations and by the current commanders, principles which everyone has pledged to uphold."

When he concluded this part of his address, only silence (which, in the military area, is a sign of obedience) followed.

The fact that all this is so does not (of course) mean that the military leadership is aware that troublesome times are ahead.

Everything is leading to it: The external front, in which the recent incidents will surely act in a positive direction; and the internal front, wherein the social demands are being carefully followed and a greater leadership on the part of the political movements is anticipated.

Under these circumstances, the reappearance of subversion (in the criminal attack on Dr Klein and his family) is something to take into account; even though it is known to lack internal structures and that these attacks have been perpetrated by groups which enter the country and then quickly leave it.

In fact, these subversive groups are being trained in the training camps that the PLO has in Lebanon.

One need not have a great memory to recall that, in September of last year, Horacio Mendizabal, the same extremist leader who died a few days ago in Buenos Aires, declared in Beirut that the Palestinian guerrillas were supplying the Montoneros with arms and military training, in exchange for a "secret formula for a new, powerful, plastic explosive."

For them, nothing has changed: Bloodshed is still the only possible political expedient.

However, there is no surprise. The latter, like the former, or what will happen, are all anticipated, predictable situations.

It all depends upon confronting them aware of the existing relationship of forces, an essential piece of information in political decisions.

2909

CSO: 3010

MARAMBIO BASE EXPERIMENT REGARDED VITAL TO AIRFIELD

Buenos Aires LA NACION in Spanish 14 Sep 79 p 8

[Editorial: "Unique Project for Argentine Antarctic"]

[Text] The old saying that everyone talks about the weather but no one does anything to improve it has undoubtedly lost its validity. Added to the fight against hail by the Argentine Air Force, with good initial results, is now a unique project intended to modify, artificially and at will, the climatic conditions around the Marambio Base, located in the very heart of the Argentine Antarctic. The plans, whose features have not been published in our country, are aimed at dissipating the so-called "cold fog" particularly affecting that base in summer and disturbing the normal movement of planes by complicating takeoff and landing operations. The technical chief of the National Meteorological Service and one of the project's promoters, Vice Commodore Salvador Alaimo, pointed out that because of the topographical conditions of the locale where the base is installed, it has its own microclimate and is affected by a special type of fog which usually obstructs visibility and consequently hinders use of the runway. Built on a plateau almost 200 meters high, the base is surrounded by water and during the Antarctic summer the surrounding sea thaws, producing gusts of warm humid air which condense when they reach the plateau, forming fog. By using liquid propane, strategically distributed by diffusers, the Argentine Air Force, encouraged by a similar experiment conducted on an American air base located near the Canadian border, is confident of dissipating the "cold fog" and thus eliminating a serious obstacle to normal air navigation operations on the Antarctic continent.

If the experiment proves successful, as expected, it will no doubt represent a promising first step toward a series of scientific innovations in relation to meteorological conditions of the Antarctic region, as long as they do not negatively affect the ecological balance, of course. Thus it would be possible, for example, to settle broad inhospitable areas of the Argentine Antarctic by technological attenuation of their climatic harshness, with the resulting improvement in conditions of habitability. The experiment planned by the Argentine Air Force for the Marambio Base rests on a solid foundation and takes on far-reaching significance, since use of that runway is vital for successful completion of transpolar flights.

11915
CSO: 3010

ARGENTINA

ARMY CHIEF SHOWN ADDRESSING THIRD CORPS

Buenos Aires LA OPINION in Spanish 2 Oct 79 p 1

[Text]



The head of the army delivers a speech to the troops of the Third Corps; at his side is General Vaquero.

2909

CSO: 3010

POPULATION OF SOUTHERN REGION BECOMES PRIORITY

Buenos Aires LA NACION in Spanish 7 Oct 79 p 18

[Text] Trelew--The development of the fringe areas of our country, particularly Patagonia, is without doubt a constant concern of the Argentine Government.

In this connection, the provinces of Chubut and Santa Cruz, and the National Territory of Tierra del Fuego, have demanded as an absolute priority the development of the territory extending south of the 42d parallel, for the purpose of precluding an exodus, as well as attracting and affording the settlement of people from other parts of the country or foreigners. In this way, the density of the population, which should have a proper, feasible distribution, will be increased.

But this urgent need is not based solely on a natural desire for progress, but rather on the possibility that the country may lack the necessary political time to wait until the development of the more privileged regions can direct their surpluses to the poorer ones; because, in the overpopulated world short of resources, there is an increasing tendency toward internationalization of the so-called "empty spaces," a concept which, strangely enough, has been defined in a dangerous manner.

In the case of Patagonia, there is added to this geopolitical factor that of the constant conflict with Chile.

In view of the vastness of the national territory and the need to populate it in an integrated, balanced way, the national government, through Decree No 3938/77, has established population goals and policies, owing to the unconcealable existence (we are referring to our country) of demographic trends that are adverse to its fulfillment as a nation, because they are leading to a reduced growth and an increasing distortion in its regional distribution.

The government of Chubut, for its part, has stated on several occasions that Patagonia is submerged in a vicious circle, wherein the population is at a standstill because the region's meager development does not provide qualitative incentives for human existence, that development has not increased to the extent necessary, for lack of investments to stimulate it, and that the

latter are not attracted because they are not offered suitable income return; and, finally, one of the main reasons for this lack of income return which we have cited is admitted to be the qualitative-quantitative shortage of population.

In order to achieve this goal, a series of measures and actions have been studied and proposed which are the national government's sole concern and which could produce a great acceleration in the development of the Patagonian region. There are three potential premises: 1. that they have a minimal effect on the national treasury's revenue; 2. that they do not interfere with the individual policies of the state enterprises; and, 3. that they do not allow illegalities sheltered by the fact of their existence.

For a real, sustained growth in the Patagonian economy, there must be a gradual improvement in the standard and quality of life among the population, as well as a numerical increase in the latter; and also activities fostered by the existence of markets produced by the need for other economic activities and by the population itself, and magnet industries based on primary production or added value to raw materials of any origin which take advantage of the natural conditions and benefits that the region offers.

The sum of these elements comprises precisely the total productive factors in Patagonia.

The set of standards as proposed may be described as involving the complete promotion of the region, in contrast to the previous efforts, the action of which was aimed at developing individual sectors.

The tax device would be applied by setting different rates, aimed at the one hand at acknowledging the lesser degree of development; and, on the other, at a search for the desired development.

The promotional systems based on tax exemptions implemented in Patagonia to date, with the exception of those contained in Laws No 18,447 and No 19,665, have been highly selective, because of the complexity of their procedures.

The plants which have succeeded in becoming established have been forced to gear themselves to the transformation of the regions in which they have settled, at the cost of some of the profits anticipated; and, for this reason, they have become concentrated, giving each other mutual support, depending on their size and requirements.

Owing to their automatic features, the measures that have been proposed will afford and promote the development of sectors and branches of industry best suited to each region, with the dimensions and technology most appropriate for each stage of evolution. For this purpose, and on the basis of their degree of development, two distinct areas have been established for the application of these benefits. However, the strategy in the less populated areas must, as a start point, call for direct action by the state, taking

advantage of the colonizing and population producing effect of the military settlements, educational and research institutions and major industrial projects.

The tax benefit measures will afford a rapid development of the magnet industries required to create sources of employment for a growing population.

The selection on the part of investors, based on the individual conditions in each region and at each time, will become far more flexible and effective.

The overall success will depend on the continuity with which each of the measures comprising the plan is applied.

In order to attain the policy goals that have been established, it must be done so in a balanced, interrelated and integrated manner, as stipulated in the bill on promotion of the Patagonian region.

2909

CSO: 3010

BRIEFS

NEW OIL SITES--By virtue of Decree 2416, the national executive branch assigned to Government Oil Deposits (YPF) two areas for exploration in the Southern Marine Basin, which were negotiated by that company for the purpose of calling for international bids on offshore hydrocarbon exploration and development work. According to a report supplied yesterday by the Secretariat of Public Information (SIP), the two assigned areas measure 12,755 and 11,107 square kilometers, respectively; while, for each one of them, the aforementioned decree stipulates that the basic deadline for the exploration period will be 7 years, reckoned from the date when the respective contract goes into effect. YPF negotiated for the assignment of the exploratory area in the sea for the purpose of calling for international bidding on the exploration, exploitation and development of hydrocarbons, in accordance with Law 21,778. The report that was provided does not explicitly cite the geographical location of the areas, which are to be added to those of Magallanes, Rio Gallegos and Tierra del Fuego I and II. In any event, the SIP states that the marine exploration areas are known as CMA 12 and CMA 13, and that their development "is an item of key importance in the policies that have been established in this regard." [Text] [Buenos Aires CLARIN in Spanish 29 Sep 79 p 16] 2909

CSO: 5330

FIGUEIREDO MAY TRAVEL TO ROMANIA, U.S. TRIP DOUBTFUL

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Sep 79 p 8

[Text] Brasilia--Diplomatic sources believe that there is not much doubt that President Joao Figueiredo will visit Romania next year. The visit is in keeping with the preliminary round of trips which Planalto Palace and Itamaraty are planning for the initiation of "presidential diplomacy" in the current government. The initial round begins officially with Figueiredo's trip to Venezuela at the beginning of November.

The Romanian visit would be to repay the visit which Ceausescu made to Brazil during the Geisel administration at which time that country extended the invitation to Geisel. In such cases the invitation is not personal; it is understood that it also applies to his successor. However, to preclude any doubt, the Romanian Government repeated the invitation.

In the opinion of diplomatic sectors, in former revolutionary governments an international visit of that type would meet with internal resistance. The anticommunist nature of the revolution would make the trip difficult, increasing the severity of reaction in the regime's more "hardline" circles. "The trip to Romania did not turn out to be possible," diplomatic analysts observe, "even in the Geisel government despite the policy of 'ecumenical pragmatism.' But Figueiredo's open-door policy, even though restricted, would permit more courageous international flights from an ideological viewpoint."

Diplomatic sources recall that, in the communist bloc, Romania offers peculiar conditions which would assuage domestic resistance to Figueiredo's trip. With obvious effort it even tries to contest the orthodoxy imposed by the group's head nation, the Soviet Union. The sources emphasize that it would be difficult, for example, for Figueiredo to go to Moscow or visit Czechoslovakia, one of the countries most closely aligned with the Russians. But the same reasoning does not apply to the Romanians.

No date has yet been set for the Romanian trip, but Brazilian governmental sectors are trying to schedule it opportunely in President Figueiredo's round of international visits.

The United States

Brazilian diplomatic circles are quite reserved in considering the idea that President Figueiredo might visit the United States next year. They believe that the general will unquestionably go to Washington during his term of office, if only as an indication that relations with the United States are headed toward complete recovery after the upsets which occurred at the beginning of the Carter administration.

A few Brazilian diplomats, among the most influential, believe that next year would not be the most opportune time for Figueiredo's trip. President Jimmy Carter is approaching the end of his term of office and there is no sure guarantee that he will be reelected. Brazilian observers place a lot of faith in Senator Edward Kennedy's possibilities, if he really enters the contest. In any case, next year is an election year and, for that reason alone, full of uncertainty. Therefore, the wisest move would be to await the election results and then plan the trip to Washington.

8568

CSO: 3001

U. S. WORLD LEADERSHIP CRITICIZED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Sep 79 p 3

[Editorial: "U. S. Faces Soviet Military Superiority"]

[Text] In one of his latest articles entitled "Europe and the Arms Imbalance," Raymond Aron, to whose lucidness O ESTADO's readers are already accustomed, endorses the opinion of Orwell and dissident Soviet historian Amalrik. The theory that 1984 will have a symbolic significance more recently received the support of Henry Kissinger inasmuch as the Soviet Union's conventional and nuclear military superiority will reach its culminating point by that date. The USSR will then be able to bring about a U. S. strategic capitulation without firing a shot. With the clarity and realism which characterize his reasoning and observations, he calls attention to the consequences and impact of this process which is already underway and, with or without SALT, will continue inexorably until the fateful year 1984. According to the French essayist and philosopher, one of the most important consequences of the subversion of relations in the balance of power in favor of the USSR is the increasing "doubt about the credibility of U. S. dissuasion." That lack of confidence is sapping Europe's morale. The deterioration in the balance of power," Aron says, "is giving rise to obvious symptoms of self-Finlandization (a type of 'neutrality' which, in truth, leans toward the Soviet side because of intimidation)." There is nothing more symptomatic than the fact that two members of NATO itself, Turkey and Norway, did not agree to the installation of observation bases in their respective territories for verification of the SALT-II Treaty unless Moscow's consent was obtained beforehand. What does this mean if not the Finlandization of the two NATO members which are taking a position identical to that of Iran, "nonaligned" and revolutionary?

More interesting, indicative and symbolic is the behavior of the West Germans whose contribution to the NATO forces is second only to that of the Americans. As is known, Soviet SS-20 rockets are being installed and pointed toward Europe. Against these missiles, which would paralyze the NATO European system at a single blow, the Atlantic Alliance has been content up to now with the 7,000 tactical nuclear warheads stockpiled under American control, which do not have a range capable of reaching Soviet territory, or with the missile-carrying submarines NATO possesses. The Americans want to restore the balance of power by installing medium-range missiles in Europe, Pershing-2 missiles,

for example. However, as Aron says, "The Germans do not want to be alone in 'provoking' the Soviets with rearmament." In other words, the Europeans have reached the point of being afraid of "offending" the Russians with a simple attempt to restore the balance. The panic which is beginning to grip not the European people--apathetic and more negligent than they were during the period which preceded Hitler's invasion of Czechoslovakia in 1939--but certain more alert members of European military circles could not be greater. Two French officers, General Buis and Admiral Sanguinetti (de Gaullist), proposed the creation of a Franco-German strike force. This idea is contrary to the commitment whereby the FRG was admitted to NATO--namely, not to manufacture or possess ABC (atomic, biological and chemical) weapons. More than anything else, the Germans are not contemplating exchanging U. S. protection in which they have only partial confidence for French protection or a Franco-German nuclear coalition in which they place no credence at all and which would compromise their relations with Moscow.

At present, it appears that for Europeans--governments and peoples--Russian deliberations count more than eventual U. S. decisions. In any case, Raymond Aron's final conclusions are somber: "To continue to be free in 1984, Europe must first become aware of the American decline and of its own situation, its military weakness and economic vulnerability. In the 1930's, the threat was exceedingly near at hand, plain to see and yet ignored. It is now widespread, based on chance and unpredictable." And there is another difference: In 1939 the Western powers--referring only to France and England--had military superiority over Hitler's Reich whose generals, aware of their strategic inferiority, counseled against the denunciation of the Versailles Treaty, the reoccupation of the Rhineland, the annexation of Austria and the destruction of Czechoslovakia. The French were defeated by a psychological complex, the "Maginot mentality." This apathetic and paralyzing mentality still prevails in the West: the United States remains passive to what the Russians do in its backyard--Cuba--what the Cubans do in Africa and what occurs in Ethiopia, Aden, Iran and Afghanistan. Can it be that the Americans and Europeans will also go along with an Iranian coup in Saudi Arabia? On the international scene will they impassively witness the "salami tactic"? For wherever they attempt to oppose a coup, they would have to reckon with the possibility of a settling accounts with the USSR. Do they now have and will they in 1984 have sufficient strength and courage to go all out in the defense of their values and their oil?

8568

CSO: 3001

DOMESTICALLY PRODUCED XIA-2 TANK PRESENTED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Sep 79 p 10

[Text] Sorocaba--The manufacture of the first entirely domestic war tank was completed this week in a Sorocaba plant. It is the CCL--the XIA-2 light tank--an armored caterpillar-type vehicle weighing 20 tons. The XIA-2 was presented this week by the directors of Industria Moto-Pecas to army officers of Sorocaba's 14th Military Service District, who were thus able to judge its performance. Total domestic manufacture of this model depended only on the manufacture of the transmission by Brazilian plants; up to now, this had been imported. The transmission assembly, including gearbox, differential, and reduction gears and other elements, is currently being manufactured by Industria Moto-Pecas of Sorocaba with the army's technical assistance.



The new tank reaches a speed of 62 kilometers per hour and can go a distance of 600 kilometers without refueling

According to the engineer, Col Admilson Nacarati, the Brazilian Army has two types of armored tanks: wheeled vehicles, manufactured by ENGESA [Specialized Engineers Corporation], and the vehicle running on caterpillar treads--namely, the XIA-2 light tank. The first caterpillar tanks with which the army was equipped were imported until the prototype of a Brazilian armored tank was developed making it necessary to import only the gearbox. According to Colonel Nacarati, with the approval of these parts produced in Sorocaba, the vehicle will now be manufactured entirely in Brazil.

The design of the Brazilian tank was developed by the army's research department through the Research and Development Institute, and its components are manufactured by a consortium of Brazilian firms; Bernardini S.A. produces the suspension, turret and final assembly; Biselli S.A. builds the block and mounts the chassis; Scania contributes the motor; Novatracao S.A. makes the tread; D.F. Vasconcelos assists with the lenses and periscope; and lastly, Moto-Pecas manufactures the transmission. Army engineers follow all stages of the tank's manufacture and assembly in every plant.

In Colonel Nacarati's opinion, the new Brazilian tanks are bigger than their foreign counterparts in that they provide more space for ammunition and equipment. The first units being manufactured are included in a pilot run and are in the phase of final testing. He asserts that Brazilian engineers now possess complete technology for manufacturing those vehicles and that domestic industry is capable of handling the amount of production needed by the army. "Although warfare technology has changed considerably with atom bombs, missiles and other sophisticated weapons, most of the world's nations are continuing to produce weapons of a conventional nature. Brazil is also pursuing this course. To give an idea of the extent of that type of equipment, the U.S. Army now has 12,100 tanks and the Russian Army has 50,000 units," the colonel recalls.

The XIA-2 tank weighs 20 tons, develops speeds up to 62 kilometers per hour, has a cruising range of 600 kilometers and can go up slopes having as much as a 60-percent grade. Its crew consists of three men--a driver, a gunner and the commander. The armor plate is of tempered steel more than an inch thick and, in addition to the 90-millimeter cannon, the tank is equipped with two machine guns and a smokescreen launcher--equipment which launches smoke grenades to camouflage the tank. According to Colonel Nacarati, the prototype of a still larger tank is now being developed; it will weigh 30 tons and will also be manufactured entirely in Brazil.

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BRIEFS

WEAPONS CACHE FOUND--A large number of weapons was found last night in a farm in Venecia de Sint in Limon Province. It included weapons of all types, particularly some high caliber weapons. The police had tried to keep this information confidential until investigations were completed and they had established who the owners of the weapons are and why were they taken there. [San Jose RADIO RELOJ in Spanish 1730 GMT 11 Oct 79 PA]

GASOHOL SAVINGS--A chamber of industry study has indicated that Costa Rica will save \$11.7 million a year by mixing alcohol with gasoline. An attempt is being made to produce enough alcohol from sugar cane to reduce fuel imports by using a 50-50 percent mixture of alcohol and gasoline. [San Jose RADIO RELOJ in Spanish 0100 GMT 11 Oct 79 PA]

'DIARIO UNO' GOES BANKRUPT--Another pro-liberation party newspaper has gone bankrupt. The daily DIARIO UNO lost 750,000 colones during its 3 months of existence, one of our reporters who used to work for this paper, has reported. Oduber Cogan and Julio Forero, the newspaper's owners, could not manage the newspaper's heavy monthly losses. This is the second liberationist daily that has failed in an attempt to compete in the information field. Informed sources feel the newspaper's first mistake was to hire inexperienced students. After the first month, they did not dare make further investments. At the end, they only had four reporters who had to work hard to obtain information. The daily went bankrupt last Thursday. [Text] [San Jose RADIO RELOJ in Spanish 0100 GMT 24 Oct 79 PA]

CSO: 3010

LARGE-SCALE DESTRUCTION BY HURRICANE FREDERIC REPORTED

40,000 Mobilized for Repairs

Havana GRANMA in Spanish 15 Sep 79 p 1

[Text] More than 40,000 Havana Province workers will mobilize today and tomorrow to join in the tasks of recovery of agricultural products damaged by Hurricane Frederic, they will also work in the repair of damaged agricultural and industrial machinery and equipment.

In response to a call by the Party Provincial Bureau, Havana workers mobilized by the provincial CTC [Central Organization of Cuban Workers] in its 19 municipalities are organizing the mobilizations which will begin in the early hours today.

More than 3,500 workers selected in each of the municipalities of Havana have also been mobilized permanently since last Wednesday for those tasks, and they have pledged to remain in agricultural tasks as long as necessary. This number will be increased in coming days, it was reported by the Havana Province CTC.

It also reports that education workers are making their greatest efforts to achieve the stabilization of teaching tasks of the school organization.

Railroad Service Affected

Havana GRANMA in Spanish 15 Sep 79 p 3

[Text] Havana (AIN)—The Western Railway Division of the Ministry of Transportation informs its users that due to the heavy rains caused by Hurricane Frederic, the electric lines of Guines, to the south and west and the Batabano branch, have been damaged.

It adds that because of that, the service normally provided by trains to and from this capital and Guines, Los Palos, San Antonio de los Baños, Batabano and Guanajay in Havana Province, Jaguey Grande in Matanzas Province and the city of Pinar del Rio, are suspended until further notice.

It also states that maintenance brigades of that division are working tirelessly to restore service as soon as possible, and that the public will be notified at the proper time.

Heavy Damage to Agriculture

Havana GRANMA in Spanish 15 Sep 79 p 3

[Text] Agricultural workers, peasants and personnel mobilized from various municipalities are working hard in the tasks of recovery after the damage caused by Hurricane Frederic in the agricultural sector of Havana Province.

Preliminary reports provided to GRANMA show that the areas devoted to the growing of bananas in Havana Province were seriously damaged by winds, which affected more than 60 percent of the area planted.

It is estimated that some 6.13 million banana plants were downed, and work is going on in those fields under difficult conditions created by mud and flooding to recover, sort and use all the fruit on the ground.

The banana plantations also require an immediate and all-out effort in the cutting of the root stocks of the downed plants, their arrangement in rows, and the creation of conditions for their subsequent growth. It is also estimated that some 60 caballerias of this crop, primarily areas in production, will have to be destroyed and replanted.

GRANMA reporters made a tour yesterday through the banana plantations of the Miscellaneous Crops Enterprise of Artemisa where 940 plants were downed.

Around 900 workers mobilized from the municipalities of Artemisa and El Mariel worked together with the workers of that agricultural enterprise in the cutting of the downed bunches and plants, collecting the fruit from the field and sorting it.

It is estimated some 140,000 quintals of bananas were damaged in these Artemisa plantations, of which around 60,000 quintals could be recovered for consumption, GRANMA was told.

Without a final evaluation having been made, it is estimated that losses in the province were a little more than 21,000 quintals of coffee; 60,000 quintals of avocados and 19,000 quintals of cassava damaged; 33,965 quintals of citrus fruit lost, and some 10,200 quintals of guavas damaged. Also destroyed were 3.4 million dozen flowers.

With respect to beef cattle, it was learned that 151 buildings were damaged. It was reported that nearly 257,000 fowl were affected between those lost and slaughtered, of which 200,000 were being fattened and the rest were layers and breeding stock. One hundred ninety poultry buildings were damaged or destroyed. Slightly more than 1,000 head of pigs were lost and 18 buildings damaged.

Other damage to agriculture was also reported in Havana Province such as flooded sugarcane areas, and fields of sweet potatoes, cassava, and malanga flooded in the harvest stage. An extraordinary effort must be made in them to contribute to their recovery.

Since shortly before noon yesterday, it rained heavily in the agricultural areas of several municipalities of the south and west of the province, where a vigorous help is required at this time, under truly difficult conditions, for the tasks of recovery.

It is expected that the mobilizations called for by the CTC and unions of the City of Havana and Havana Provinces for today and tomorrow, for repairing that which has been damaged by the wind and rain of these days, will be a serious support for the hard work being done by the agricultural workers, small farmers and members of cooperatives of Havana Province.

Death Toll Reaches 14

Havana GRANMA in Spanish 15 Sep 79 p 3

[Text] According to a news report made yesterday, 14 people died as a result of Hurricane Frederic despite the preventive measures taken in the country.

Those reported dead up to now are: Humberto Manuel Vargas Guerra, 38, of Guanabacoa, electrocuted; Florentino Quesada Hernandez, 36, of La Fernanda, drowned; Andres Paz Piedra, 49, of San Miguel del Padron, drowned; Lario Munoz Silverio, 40, of Boyeros, electrocuted; Humberto Amaran Despaigne, 22, also of Boyeros, drowned; Carlos Ruben Clean, of Guanabacoa, drowned; Felix Manuel Pons Castellano, 23, of Sancti Spiritus, drowned; Pedro Domingo Fuentes, 40, of Guanajay, drowned; Miguel Dominguez Gutierrez, 27, of Artemisa, drowned; Lt Miguel del la Torre, 28, chief of the Military Committee of Batabano, drowned; Diego Dominguez Vargas, 25, of Batabano, drowned; and Private Francisco Lopez Martinez, drowned in rescue operations in San Antonio de las Vegas.

In the city of Santiago de Cuba, Marlene de la Torre Martinez, 19, and Manuel Lorada Martinez, 13, died when a landslide fell on part of their house located at Hernan Cortes and Trocha Streets.

Heaviest Flood Damage Reported

Havana JUVENTUD REBELDE in Spanish 16 Sep 79 p 2

[Text] One of the most frequent comments among the people about Hurricane Frederic refers to the amount of rain that has fallen. There is even talk as to whether it may have been more than the rainfall of the sadly famous Hurricane Flora, which established a rainfall record.

In search of more exact and precise figures, we went to the Institute of Water Conservation, where Engineers Jose L. Batista and Oraldo Perez Monteagudo of the Hydrology Department answered our questions.

[Question] What amount of rainfall was dumped on Havana by the hurricane?

[Answer] We are going to consider the city and the province as Havana. In it was concentrated the most significant amount of rain caused by Frederic. It has also affected some points nearby in Matanzas Province.

We have prepared an isohyetic map of the rainfall which has fallen within the area it covers. It can be seen that there are two basic centers of great precipitation, one in the zone of Melena del Sur and another in Guanajay. In some points rainfall during a period of 2 days was equal to, or more than half, of the rainfall for one year, which is 1,450 millimeters.

[Question] If the hurricane passed through Pinar del Rio, why has there been more rain in Havana?

[Answer] It is known that this type of meteorological phenomenon has a zone--the right side--with greater rainfall. Havana was on the right side of the hurricane.

[Question] What happened at the airport?

[Answer] If we study the map we see that the airport zone had between 500 and 600 millimeters. A subsequent study of the rainfall gage figures in this zone has shown that a considerable percentage of rainfall was concentrated during a period of 12 hours, from midnight of the 9th to noon of the 10th. In that brief space of time, 415 millimeters fell. On the other hand, if we analyze a topographical chart of the airport we see that it is located at a lower level than the surrounding areas. Due to the extraordinary rainfall and the fact that the zone is heavily urbanized, all the surface runoff came to rest in the runway zone.

[Question] Has Frederic broken the rainfall record of Flora?

[Answer] Comparison cannot be made between the two, since Flora remained over our territory for 5 days. However, if we compare them in the same period of time, 12 hours, we find that Flora gave us 445 millimeters and Frederic 415 millimeters at the airport. These are figures which are noticeably similar from the rainfall point of view.

[Question] How do you evaluate the probability that there will be another storm with so much rain?

[Answer] From a statistical analysis, we can say that such precipitation takes place every 150 or 200 years. This is a statistical estimate, but it does not preclude the possibility that next week or next year a similar one will occur.

International Airport Closed

Havana JUVENTUD REBELDE in Spanish 16 Sep 79 p 2

[Text] It seems strange to see rowboats and even powerboats on the Jose Marti International Airport runway since last Sunday. This is due to the flooding of its areas due to the heavy rains which accompanied Hurricane Frederic.

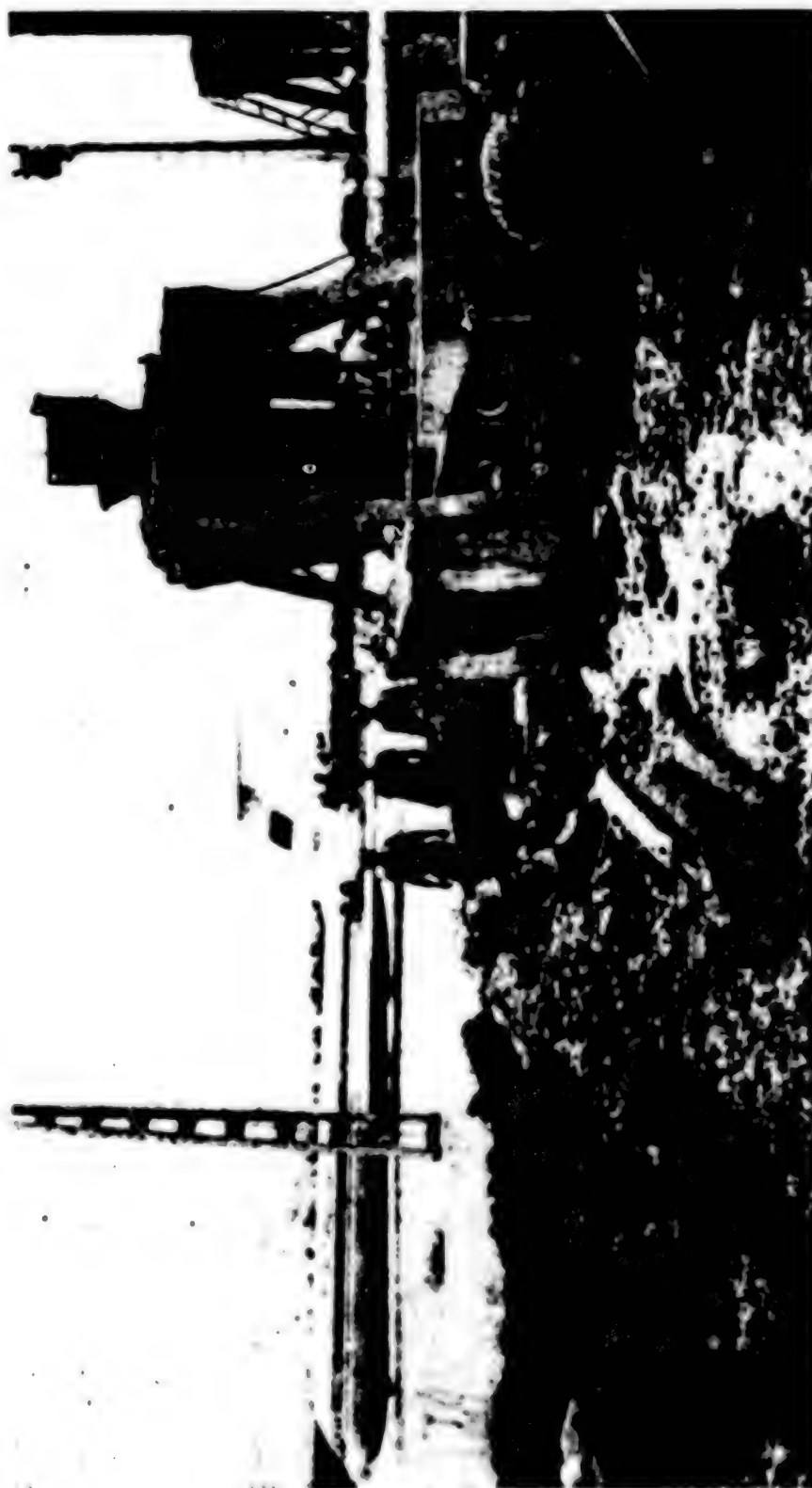
On 9 September there was a 290-millimeter rainfall, and on the following day another 246 millimeters, figures without precedent for this zone. Historically, it is known that the rain gage at Santiago de las Vegas registered 265 millimeters in 1926 and on 17 October 1944, it registered 252 millimeters.

Continuous rains caused the flooding of three-fourths of the runway, and it is estimated that 3.5 million cubic meters of water accumulated there.

Monday night the height above sea level was 60.94 [as published] meters and it remained that way with some stability until Wednesday morning as a result of water coming from the west, excluding that which drained toward Ariguanabo.

Recovery Measures

Before the Eleventh Festival there were 22 overflow absorbing wells, which drained the water down into the water table. Three more were drilled for the important youth event. A short time ago, when the airport expansion was undertaken, another 39 were drilled, which means that the present drainage system is triple that of 1978.



Drilling of deep wells near aircraft damaged by the hurricane

Despite this, the situation created as a result of the passage of Frederic is keeping the airport runway idle. That is why construction workers, with the help of agricultural workers and other agencies are endeavoring to lower the water level in the terminal area.

Such technical means as the use of 11 pumps with a capacity of up to 120 liters per second, each of them for routing water toward the absorbing wells, are being used to eliminate the volume of water.

Moreover, the men with the large-diameter absorbing well drilling machines drilled 19 new ones and this task is continuing. Up to Friday night, the water level had lowered by 25 centimeters, which is the equivalent of a volume of 500,000 cubic meters.

To drain the dammed water more rapidly, two ditches in areas of possible drainage caves were opened and a dike was built to hold back the water coming from the west.

Because of the work accomplished, the water level is declining, but slowly however, because rainfall is continuing.

Air Service

International flights are being maintained, with departures from the Varadero and Camagway airports, and travelers may leave by bus from the terminal area of the Jose Marti Airport. National flights will be reestablished as soon as the airport of Managua is reconditioned.

Guantanamo Had Heavy Rain

Havana JUVENTUD REBELDE in Spanish 16 Sep 79 p 2

[Text] Guantanamo--Some 1,488 millimeters of rain fell in the 10 municipalities of the province in 8 days as a result of the passage of Hurricanes David and Frederic, it was reported by the Institute of Water Conservation here.

Those days ran consecutively from 31 August to 3 September and from 4 to 8 September, both dates inclusive. Five hundred eighty-three millimeters of rain fell in the first phase and 905 millimeters in the second, the rain on the first day being extraordinary with 117.5 millimeters falling in San Antonio del Sur.

JUVENTUD REBELDE was told that on 1 and 2 September waves were breaking six meters above the picturesque seawall of our first city and that this very same city of Baracoa was cut off from the mining region of Moa when our river with the largest flow, the Toa, rose some meters over the bridge between the two places.

Additional Flooding Reported

Havana VERDE OLIVO in Spanish 16 Sep 79 p 55

[Text] The torrential rains which fell on the City of Havana created very critical situations in a good number of districts such as that of Habana Vieja because of collapsing buildings. Measures taken by the party, Civil Defense, mass organizations and the people, prevented greater harm.

Hurricane Frederic took a course parallel with the southern coast of Cuba and its heavy rains affected a large part of national territory. Passing off Havana Province on 9 and 10 September, this storm was approaching land every second, and rains were felt in the capital with increasing force and steadiness.

Civil Defense at a national level as well as in its provincial commands, carried out the measures necessary to face the effects these natural phenomena always produce.

One of the places struck hardest by the rain from Frederic was the zone near the Pastrana and Alcoy Rivers in Luyano. Hundreds of persons were evacuated. A praiseworthy job of rescue, evacuation, guarding and help to the residents of La Fernanda, Juanelo, El Chalet, Concha, Luyano and other places was accomplished.

From 0500 on 10 September, the workers of the bakery located at Concha and Luyano baked bread in water that was almost waist high and distributed it to the public. This was done in other places also.

In our tour, we saw trucks and automobiles completely covered by water, as well as residential houses where the water entered and floated away beds, refrigerators, television sets and so forth.

Those evacuated in city of Havana Province numbered several thousand up to the closing of this edition. Civil Defense distributed skilled personnel in the various affected zones. Lifeguards, frogmen, members of the Revolutionary Armed Forces, personnel of the Provincial Fire-fighting directorate, medical and Civil Defense brigades have been working.

Shelters were set up for the evacuees. Amphibious vehicles provided by the various military commands played a most important part. Several Red Cross powerboats, rowboats and cars also rendered service.

The most affected districts of the City of Havana, in addition to those already mentioned, are Miraflores, Sevillano, Alturas de Sevillano, the Marti suburb, banks of the Quibu River, Santa Fe Beach, the low areas of Santa Ana, Quinta Avenida from 12 to 42nd Streets, some zones of Vedado, Cotorro, Cuatro Caminos, Plaza de la Revolucion and others.

More Railroad Damage Reported

Havana GRANMA in Spanish 18 Sep 79 p 3

[Text] Considerable damage to the railway network, disruption of service schedules and losses of more than 500,000 pesos in the Francisco Vega Sanchez Shops of Luyano, were the results of the heavy rains caused by Hurricane Frederic to the Western Railroad Division.

The railway system was damaged in 16 stretches of the Central, West, Guines, South, Almendares-Conill, Electrica de Guanajay, Electrica de Rincon, and the Batabano trunk line by the washing away of roadbeds, cave-ins, erosion of ballast and the washing away of approaches to bridges.

Considerable damage was reported in the Central line to the stretches between Cambute and Campo Florido and from Campo Florido to Jaruco, and in the Western line from Dagame to Canas and from Ocegüera to Candelaria, while in the Guines line, damaged stretches were those from Underdown to Cotorro, Cotorro to Cuatro Caminos, Cuatro Caminos to San Jose and San Jose to Ganuza.

Also damaged were the stretches from Mazorra to Rinco, Rincon to San Felipe, San Felipe to Duran and from Duran to Guara on the South line. In the Batabano trunk line, the water dislodged the tracks from their bed and washed away all the ballast (crushed rock) for a stretch of 400 meters, which prevented train traffic.

In the Cienaga-Almendares stretch of the Almendares-Conill Line, ballast was washed away from some 150 meters, which halted railway traffic for 32 hours, and on the electric railway of Rincon, in the stretch from Naranjito to Miraflores, there was a 96-hour interruption for the same reason.

Cancellation of Train Departures

The Western Railway Division announced up to Friday that the departures of 40 trains of the Western Line had been canceled because of the poor condition of the tracks. Some 50,000 travelers were affected.

The same announcement points out the establishment of an additional train service between Artemisa and Guane, and the limited reestablishment of regular runs due to precautions being taken because of the present condition of the railway.

Suburban Service

This service, completely canceled until 13 September, was reestablished on 14 September up to Guanajay, also with limitations for the same reasons

as those for the trains on the Western Line. The link between Guines and Batabano will operate regularly until 30 September, taking into consideration the progress of the drainage work now being done.

Trains to Cienfuegos and Jaguey

Railway links with Cienfuegos, after 14 departures were canceled, were reestablished with the logical limitations imposed by the condition of the railway. The train to Jaguey has limited its run to Union de Reyes, it being estimated that it will operate normally as of 20 September.

National Trains

With respect to departures of national trains, these have not been affected in the main. The decline in the number of passengers because of weather conditions allowed the Western Division, in collaboration with the other railway divisions, to maintain normal levels of service.

The institution of emergency measures caused the effects on trains originating in the eastern provinces to be minimal. National trains are operating with limitations on their travel through the Province of Havana and Matanzas, where the roadbeds were damaged.

In the Francisco Vega Shops

Losses in the Francisco Vega Shops, originally estimated at more than 500,000 pesos, include damage to the passenger car electrical systems, electric generating units, air conditioning equipment, machine tools and the entire electrical system of the shop, which remained completely flooded for 24 hours.

The Luyano shops were idled by these circumstances for 120 hours, and during the reestablishment phase, a similar period of inactivity will be maintained. Damage caused by water and the fact that efficiency in the technical care of rolling stock declined during these days, will cause the enterprise to delay recovery of its normal availability of cars until the 25th of the month.

The Jose Ramirez Casamayor, Cienega, Revolucion de Octubre and Cristina shops were also affected because of a lack of electricity, despite the efforts made by the workers of the electric enterprise to renew service, and this will cause delays in the maintenance and repair schedules of locomotives and motor coaches.

Railroad workers are making great efforts to reestablish railway service and for that purpose they are carrying out massive mobilizations of volunteer labor with the support of the rest of the transportation workers.

Citrus Recovery: Emergency Measures

Havana GRANMA in Spanish 19 Sep 79 p 1

[Text] The work of drying up the zones of the Ceiba Citrus Enterprise of the Province of Havana, which are still flooded after the passage of Hurricane Frederic, is the main measure taken for its rehabilitation by the management of the enterprise.

Gustavo Cruz, director of that enterprise, told GRANMA that eight caballerias are still completely under water and 15 more partially under. He also said that every effort is being made to remove that water and that seven motorized pumps have been installed in the grove area and another six in Ceiba, but that it is expected the number will be increased to 30 so as to resolve the problem this week.

Cruz said that hard work has been done in the collection of citrus, coffee, guavas, and other products grown there, even using rafts in the zones where the water is very deep.

Referring to estimates of losses caused by the hurricane, the director of the Ceiba Enterprise explained that they will exceed 27,000 quintals in citrus due to the fact that water still remains in the areas mentioned.

On the other hand, it was learned that they have managed to recover 3,500 quintals of guavas, 3,000 quintals of grapefruit, 300 of Persian limes, 60 quintals of coffee and 1,000 quintals of avocados. This work is going on uninterruptedly with the help of students of the Pedro J. Esperon Party School for Cultural Improvement, the national CDR [Committees for the Defense of the Revolution] School, the workers of the Havana Libre sugar mill, who are working specifically in the rehabilitation of coffee plants which were downed by the hurricane and where 1,400 quintals of coffee were lost, and by the mobilizations of the Agricultural Union itself.

Other Measures

Among the different measures adopted in the Ceiba Citrus Enterprise, where the preparation of some eight caballerias of land for planting black beans was also lost, are the application of fungicides to prevent possible diseases which result after storms such as this; the advancing of the fertilization plans with nitrogenous fertilizers, and the construction of a canal by the Engineering Projects Construction Enterprise No 4 of Havana, which will drain off large volumes of standing water in the zones of the enterprise and the town of Ceiba.

The workers of this enterprise are struggling night and day to try to recover the largest quantity of products possible and to prepare to face the future consequences resulting from the large amount of water, primarily accumulated in the citrus-growing zones.

In the Province of Havana

The first estimate of the losses caused in all the citrus-growing areas of this province has been estimated at 35,000 quintals, figure which may vary, depending on how the work of drainage of accumulated water and the general recovery of the various enterprises progresses.

Civil Defense Aid

Havana VERDE OLIVO in Spanish 23 Sep 79 pp 8-12

[Text] One after the other, two hurricanes crossed our territory. The first, named David and described as the "hurricane of the century," because it had caused great destruction in Dominica, the Dominican Republic and Haiti, arrived off Guantanamo, weakened by the mountains of the island it had just finished damaging, and crossed the eastern zone without causing any damage at all.

The second, Frederic, kept the country on a hurricane alert for 3 days--from 6 to 9 September--, traveling a path along the south off the Cuban coasts, becoming stationary in the Gulf of Batabano on the morning of the 10th, where it organized, gained strength and crossed the country through the eastern zone of Pinar del Rio.

The Institute of Meteorology determined that Hurricane David would affect our territory. Immediately Civil Defense declared an "Informational Phase" for the eastern provinces. The residents of places which could possibly be affected had the existing situation explained to them and their cooperation was requested.

The work of inspection of downspouts, drains, sewers and so forth began, and the population was instructed on how it should communicate with Civil Defense Headquarters, the Red Cross, polyclinics or hospitals, and the police and fire stations in case it were necessary.

As is foreseen in these cases, and once the phases of Hurricane Alert and Emergency was declared, many families were evacuated and housed, beef cattle were moved to high areas; the CDR's worked at cleaning streets, balconies and roofs, they removed fences and signs, and residents were instructed on how to fasten doors, glass windows, and show windows of business centers. Families boiled and stored drinking water and kept current on information on the approaching hurricane.

Hurricane Plans

Every production or service center has Hurricane and Other Natural Disaster Plans which they place in effect when the various phases established by Civil Defense are declared.

Raul Sosa Delgado is the director of the Vanguardia Socialista Welding and Ferrous Production Enterprise located in Guanabacoa, and he is Civil Defense chief of the enterprise.

In a brief interview he told of some of the activities they engaged in as Hurricane Frederic passed by.

"In our opinion, the success Civil Defense may have against a natural disaster is won by preventive work. In our case it was compliance with the Hurricane Plan. It contains the measures to be taken during each phase.

"Success is guaranteed during the few hours preceding the hurricane. Nothing can be guaranteed if personnel have not been duly trained, if a good preventive work has not been done.

"Everything was continuous, we began taking measures from the time of Hurricane David. We kept track of all the Civil Defense personnel of the center. When Frederic appeared, everything foreseen was put into effect in the new buildings as well as in the old. If it was necessary to interrupt electric service in some place, it was done. We did nothing more than comply with the provisions of the plan in such a way that by Monday 10 September, we could count on almost 100 percent of the members of the Civil Defense groups.

"This hurricane demonstrated how once more Civil Defense played its important role in the preservation and saving of resources and lives.

"The People's Government did not exist before, the personnel, which the Civil Defense has, make up a single unit which makes possible the successful accomplishment of its missions."

Command Post

Since the chairmen of the People's Governments are the chiefs of Civil Defense, they assume control, the command of the work against hurricanes, always helped by specialists.

"One of the basic tasks of Civil Defense is to direct and execute measures against natural disasters," declared Manuel Vilarino Villanueva, vice chairman of the People's Government Executive Committee in Guanabacoa and chairman of the Municipal Civil Defense Evacuation Committee, during an interview granted to VERDE OLIVO after Hurricane Frederic.

"I have become convinced of the role of Civil Defense as an organization capable of rallying all personnel and resources of the territory. In the case of a hurricane, this takes place from the Informational Phase until the Recuperation Phase.

"Speaking of the phases decreed by Civil Defense and the work done in them, we should discuss that of the mass organizations, the National Revolutionary Police, the Cuban Women's Federation [FMC], and the immense majority of the work centers of the entire country, joined together through the Civil Defense staff and placed into operation for resolving the problems produced by a hurricane.

"Civil Defense has been capable of organizing 92,000 inhabitants in a territory 121.7 kilometers square. To accomplish these activities, we have divided the municipality into three operational directorates. In each one their highest leader is a member of the Municipal People's Government Executive Committee. They also consist of comrades appointed by the municipal directorates of the CDR, the FMC, representatives of National Revolutionary Police of the municipality, officers of the staff of Civil Defense and other authorities.

"In turn, beginning with the politicoadministrative division of the territory, Evacuation Committees are created at the level of each CDR zone committee; cadres and comrades of the FMA make it up at that level.

"Those committees notify the public of each area of preventive measures and those of a general nature. These are constantly broadcast by radio and television. Another of its activities is evacuation. They accomplish this pursuant to a plan made beforehand. In the plan appear the families which must be evacuated, the preparation of shelters, and the time when evacuations should take place. Together with these activities, guards are established over abandoned houses and installations.

"All this work accomplished because of the presence of a hurricane, would not have been possible without organization, discipline and the operational capability guaranteed by Civil Defense. In time of war or the threat of a hurricane, all of us, from the leadership personnel to the most simple worker, perform the functions of our jobs as combatants of the Civil Defense, depending on the type of group to which we are attached.

"Thanks to that organization, discipline and operational capability, we could face and resolve other problems in a short time. A support brigade was requested from the Vanguardia Socialista center and it was able to perform its functions within a few hours.

"There have been problems, some obstacles, this is logical. For the People's Governments this has been the first experience with a natural disaster. We found ourselves forced to face it and to put into practice the knowledge acquired from the Civil Defense officials, our advisers, and to exercise command within this organization. We have acquired valuable lessons from this first experience.

"Now, in this Recovery Phase, Civil Defense continues to play the role of activities center. It has the resources and the means, the organized labor force to resolve the damage and recover normality.

"The party has been present, supporting and orienting activities. Now, human resources, transport and tools for different activities in this Recovery Phase have been requested from various work centers. Among these activities are sanitation, vaccination, bracing of buildings, repairs of schools, child nurseries and so forth.

"The sentiments of the workers, all members of the Civil Defense groups, are at this time similar to those of the time when the previous phases were declared: Resolve the problems no matter how unforeseen and difficult they may be."

Instruction to the Public

Spring tropical storms and rains cause losses to our economy and place human lives in danger. That is why Civil Defense mobilizes the necessary personnel, places them in full fighting readiness to become part of Hurricane Command Posts.

Subordinated to them is the Committee For Instructing the Public, which is charged with planning, orienting and directing each of the orders, measures and orientations issued by the Hurricane Command Post, so that they may instruct the public on the measures for protecting the economy and persons.

Following the instructions of each phase, the preventive evacuation of provinces and municipalities was undertaken. In this way, because of the threat of Hurricane Frederic, 16,575 persons were evacuated in Pinar del Rio, 17,795 in City of Havana Province, and 45,661 in Havana Province.

Flooding

The hurricane brought behind it a veritable tempest. As of 0100 on 10 September, the depression stationed itself between the Isle of Youth and the southern coast of Havana Province. It rapidly gained in organization and its winds reached up to 100 kilometers per hour. Frederic, converted into a hurricane, crossed the island through the eastern zone of Pinar del Rio. However, the greatest damage was caused in Havana Province and City of Havana Province. In 30 hours around 600 millimeters of rain fell on the capital. This represents an average of 20 millimeters per hour. Flooding, never before seen in the rural zones and towns of Havana Province, damaged crops, raw materials, industries and equipment.

Ceiba del Agua was left completely flooded. In many places the level of the water reached a depth of two meters. Residents declare that flooding took place like a wave, within a short period the water rose one meter. Thanks to the quick action of cadets and officers of the General Attonio Maceo Interservice School, the entire town was evacuated and sheltered in schools and highschools, which were prepared for that purpose. To try to reduce flooding, a pumping station was installed, which with three large aluminum pipes dumped the water into a canal at the edge of town. However, on 14 September it continued to rain and the flooding had only receded a few centimeters.

A similar situation took place in Ariguanabo, where members of the Civil Defense groups took timely steps to prevent loss of human life.

They immediately began the task of recovering equipment and material from the water surrounding the textile plant. A veritable ocean surrounded the factory installations. Fortunately, no damage was done to plant equipment because the water did not enter the shop. At the same time that the workers were performing recovery work, they kept a watch on the flood level because, although the hurricane had passed two days before, water continued to rise. The elders of the town do not recall ever having seen such flooding.

The Mariel thermoelectric plant was flooded. Several of its pieces of high-tension equipment were damaged and others completely destroyed. However, its workers declare that the water which flooded the lower structures of the plant did not cause any damage at all. They said: "That was a problem we solved easily, we soon pumped it out and if any more fell, we dried it up again. That was no problem. The real problem was caused by the water that leaked from above. It rained more here inside than outside and that caused great high tension short circuits. Nevertheless we continued to provide service. If one piece of equipment was damaged, we continued with another. To prevent the rest from becoming inoperative, we protected it with aluminum sheets, with cardboard, we covered it with whatever waterproof material we had on hand."

The Jose Marti International Airport of Rancho Boyeros had to halt its service because of the flooding of a large portion of its main runway. Three IL-62 aircraft parked there were seriously damaged. In a few hours drilling of deep wells was begun, wells which would serve as drains. The work of recovering the aircraft began at the same time. Diving teams inspected the landing gear and conditions were prepared for removing the aircraft from that place.

The warehouses of Agricultural Aviation located at 100th Street, a few meters from the gate of Lenin Park, were flooded to the highest points of the buildings by water from the Ejercito Rebelde Dam.

The speed with which its employees, workers from other enterprises, agencies and Civil Defense who went to help, acted; the steadfastness of each and every one of them, allowed the recovery of much of the valuable property in the warehouses in a few hours.

Despite this damage, the Ejercito Rebelde Dam itself, by containing the waters of the Almendares River within its impounding area, prevented its enormous volume from causing a rise in the river which would have caused incalculable losses to the population and to the installations of the entire area along its banks.

The Tallapiedra powerplant was also seriously damaged, however, the Civil Defense brigades performed an incessant work of repairs and recovery so as to reestablish service as soon as possible.

The Antillana de Acero, The San Jose de las Lajas Glass Complex, the Guanabacoa Bakery, many warehouses of various agencies and telephone service were also damaged.

Recovery

As soon as the heavy rains ceased, the Civil Defense National Hurricane Command Post established the "Recovery Phase." The people joined in the most diverse work aimed at placing industries in operation, collecting and transporting crops with the greatest speed possible, in short, at reestablishing the normal life of the nation.

Five days after Frederic left, Ceiba del Agua and Ariguanabo were still flooded. In the City of Havana there were reports of 10 houses totally destroyed and another 197 partly damaged. In Havana Province there was the total collapse of 13 houses and 31 were partially damaged. In Pinar del Rio, five houses collapsed and 27 were damaged. In these cases members of Civil Defense, the FAR and Ministry of Interior, in an unceasing activity, performed laudable rescue and evacuation work.

The volumes of water which resulted in the rise of rivers, floods and collapse of buildings, caused large amounts of damage to the economy of the nation. Hardest felt, however, was the loss of 15 human lives. Despite Civil Defense instructions not to cross swollen rivers, not to travel unnecessarily, some died by drowning or electrocution, the victims of their own imprudence. Others died in landslides. There were cases, such as that of Private Francisco Lopez Martinez, member of the UJC [Union of Young Communists], who died performing his duty while engaged in rescue operations.

In other zones of the country, which were also affected by the rain, the workers are performing recovery work. In the most difficult phase, the province of Santiago de Cuba evacuated and sheltered 1,139 persons. In that city, four houses collapsed and 127 suffered partial damage. Civil Defense evacuated 575 persons in Granma Province and 402 in Sancti Spiritus.

Agriculture

Comrade Julio Gonzalez Gonzalez is chief of the Civil Defense Section in the Ministry of Agriculture. He advises the minister, the Civil Defense chief in that ministry. Discussing the damage and the work of recovery initiated immediately after Frederic passed, he first spoke of how Civil Defense is organized.

"The minister personally directs all activities pursuant to the Hurricane Plan established for the ministry in the provinces and the municipality of the Isle of Youth. For this he uses his Civil Defense Staff.

"In the Informational Phase of Hurricane David, the Staff was alerted and the staffs in the provinces which would suffer damage were informed of this situation. Communications with them was maintained via telex and the direct line from the office of the minister. One vice minister joined the Civil Defense Forward Command Post in Holguin, another joined the National Hurricane Command Post, and another joined the Operational Group located in the office of the minister.

"This organization, this state of mobilization, has been maintained up to this time in which the Informational Phase has again been decreed because of the new depression now located off the coasts of Yucatan.

"The basic missions of Civil Defense in agriculture in case of a hurricane are the protection of animals, agricultural and livestock installations, and the gathering of crops which are suitable for consumption. There are specific non-military groups for agriculture, which consist of agricultural workers, plant protection commands, veterinarian brigades, animal protection commands, veterinarian groups, independent plant protection brigades, and also groups of a general type which are created for agriculture as well as for mission which a higher command may decide.

"When the Alert Phase is ordered, evacuation of livestock is begun from traditional flood areas and once the Hurricane Emergency is declared, completion of evacuation of all livestock from the zones contained in the Hurricane Plan is accomplished.

"When in the Recovery Phase, with respect to miscellaneous crops, root crops, fruits and vegetables, those which are fit for human consumption are sorted out and the rest are fed to the pigs.

"With respect to livestock in general, hygienic veterinarian treatment is begun at once of affected and non-affected animals because these natural disasters leave behind them a series of diseases.

"Great mobilizations for agriculture are taking place now. They are being made in coordination with the CTC. The needs of manpower for the gathering of crops and for each crop are presented. Their distribution is made pursuant to the tables of the Civil Defense Hurricane Plan, which is strictly adhered to."

At Closing

The present time is one of intensive work. The workers, all the workers of the affected zones and members of the Civil Defense Groups join in the recovery of the assets of the economy and they remain on alert because the hurricane season is at its height.

Giraldo Luis de Mendoza is the Civil Defense watch officer at his work center, the Vanguardia Socialista. He says: "Once more the Informational Phase has been declared by Civil Defense. We are alert to the orders which may be given to us by the command, and we are taking the pertinent measures in keeping with this phase. Each worker who is a member of Civil Defense know that he must be available for the performance of missions. Everyone here knows what he has to do."

Volunteers Gather Damaged Crops

Havana VERDE OLIVO in Spanish 23 Sep 79 pp 8-12

[Text] The City of Havana CTC called on workers to overcome the damage suffered in agriculture by the sister Province of La Habana, where rain and wind of Hurricane Frederic caused much damage.

That is why this Sunday, in mobilizations exceeded only by those of the Red Sundays, all the unions of the capital responded and tens of thousands of their members voluntarily went here and there to save crops.

The fields of Melena del Sur, Guines or Guira, to name a few examples, were filled with broadly smiling people of all ages, hard at work in various tasks.

Here they gather cassava, over there bananas or sweet potatoes, always up to their ankles, legs and waists in the mud because, although the day is good and the sun shines on high, many days of rain saturated the ground.

"It breaks your heart to see how much damage has been done to bananas," comment some; "It finished the malanga," emphasize others; "There is so much cane under water," say all of us.

And so, while the day advances and in each working place the results of the work is seen, there comes to the mind of each the zeal to do more so as to recover quickly. And it should happen soon, because as one worker put it: "With a united people there are no difficulties."

Havana Province Damage Statistics

Havana JUVENTUD REBELDE in Spanish 21 Sep 79 p 1

[Text] In view of the innumerable losses suffered in a variety of crops and in other agricultural activities in the two Havana provinces as a result of the heavy rain from Hurricane Frederic, at this time agricultural workers with the support of all the people are hastening to save the largest quantity of products possible.

In the City of Havana and Havana Province, 6,585,600 banana and plantain plants were drowned, which means that 64 percent of this crop has been damaged. This will create a critical situation in this product in coming months.

Estimated figures for root crops show damage of more than 114,000 quintals, which include 51,160 quintals of cassava, 27,400 quintals of sweet potatoes, 27,450 quintals of malanga, as well as smaller quantities of squash, yams and others.

Up to now the forecast for losses in avocados is 40,900 quintals, and for a variety of citrus fruit, it rises to more than 67,000 quintals. These are products now being gathered to be provided to consumers.

Thirty-two caballerias of recently planted gramineous sugarcane were lost. An additional 64 caballerias were flooded.

Because of the wind and great amounts of water, 73 buildings for hogs, beef cattle and poultry collapsed and another 367 were damaged, which shows how serious an effort must be made in this respect by the farmers as well as by the livestock raisers to overcome the damage.

Losses in milk are estimated to be a half million liters, in addition to the affects this will have on the supply of milk to the milk industry.

It was necessary to slaughter 666 beef animals and 35,380 fowl. More than 3,000 rabbits and 1,138 hogs died (litters and pre-fattening animals), and 251,350 fowl and 181 beef animals were lost.

In the Miscellaneous Crops Enterprise of Havana considerable damage to irrigation equipment is reported. In the irrigation system of Batabano, three irrigation canal systems were blocked by the rain.

Destruction of fertilizer and other resources needed for the growing of crops is reported and large areas ready to be planted were affected, and that type of work will have to be redone.

Ninety Kilometers of fences around livestock-raising areas and many access roads to various projects were destroyed.

Mobilizations for agriculture are being continued so as to recover from the great amount of damage we have suffered in past days.

Light Industry Losses

Havana JUVENTUD REBELDE in Spanish 23 Sep 79 p 1

[Text] The total of losses caused by the destruction of Hurricane Frederic in light industry establishments and enterprises of Pinar del Rio, Havana Province and City of Havana Province is more than 7 million pesos.

Of this amount, more than 600,000 pesos in damaged equipment and buildings are irrecoverable. The rest, the days without production of material goods, can be partly recovered after the present conditions of each factory are analyzed.

The main cause for the damage to the industry has been the lack of electricity.

Losses because of a loss in production are more than one million pesos each in the textile, clothing and chemical branches. They are followed by the leather shoe, graphic arts, lumber and other branches in that order.

The enterprises which suffered the greatest damage are the Ariguanabo textile plant, which is the largest in its branch; the Habana leather working plant also the largest in its branch; the paper and cardboard recycling plant, the Camilo Cienfuegos furniture enterprise, the soap, perfume and detergent enterprise, and the spare parts and services enterprise.

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CSO: 3010

HAVANA INTERNATIONAL AIRPORT RECOVERS AFTER 21-DAY CLOSING

Havana GRANMA in Spanish 2 Oct 79 p 3

[Text] Tomorrow, Wednesday 3 October, international and domestic flights will be resumed; they had been suspended as a result of the flooding at the "Jose Marti" airport caused by severe rainfall connected with Hurricane "Frederic," according to an announcement from the Ministry of Transportation.

International flights will again be arriving and departing at "Jose Marti" airport, at Rancho Boyeros, starting tomorrow; on Thursday, 4 October, service both by Cubana de Aviacion and by the remaining airlines operating in Cuba will be completely restored.

Domestic flights will start at "Jose Marti" likewise tomorrow and the domestic line service will be restored on Thursday, 4 October, with the same schedules as before the airport's closing.

Service will be restored for passengers, cargo, and mail.

"Jose Marti" airport had been closed from 10 September, the day "Frederic" passed over, and flights were suspended until they could be resumed provisionally from the Camaguey, Varadero, and Managua airports. The Ministry of Transportation expresses its regret, through GRANMA, for any inconvenience which passengers may have experienced during those 21 days.

The rainfall, unprecedented in the area, caused heavy flooding and necessitated the use of pumps from 14 September onward to get the water out through long pipelines to nearby wells and away from the airport itself.

Intensive runway inspection work was done in recent days to determine the runway's strength. Parallel to that, other work is being done, such as the repair of the runway lighting system, the water supply system, and others.

The Ministry of Transportation approved the resumption of flights at "Jose Marti" airport only after these tests and repairs had been accomplished.

EXAMPLES OF ECONOMIC FAILURES REPORTED BY PRESS

Deteriorated Hotel Facilities

Pinar del Rio GUERRILLERO in Spanish 9 Sep 79 p 3

[Article by Nieves Enrique Gigato: "El Globo, State Hotel in General Neglect"]

[Text] There used to be hotels in the city of Pinar del Rio that were renowned both inside and outside the province, not because they were the only ones there but because of the comforts and service they offered.

This was the case of El Globo Hotel on Jose Marti Street which has been open since 1917.

However, it is now 1979, some 62 years later, and we are surprised that this same hotel is still offering service to the people. Did we say service? Excuse us, we are going to talk more about this and then you can tell us what we should call the "service" at this hotel.

Is service a subjective problem? We do not question that. It is up to the employees whether it is good or not but...good service also depends on objective factors.

Let Us Begin with Guest Registration

The room clerks need different systems for handling the guests. All those connected with the situation know this but it has not been solved.

When a guest rents a room, the room clerk tells him the condition of the rooms; the people stay there knowing the conditions.

What about the Accommodations?

They repeat to the guests: "The rooms do not have ventilation or running water and the walls have holes in them. The toilets do not work and the bathrooms do not have water. The walls are written on. There are eight rooms that do not have keys. The rooms need paint. The linen cannot be changed often because there are no regular deliveries from La Gigante Cleaners. The shower rooms are in bad condition. The lighting in the rooms is very bad. There is no disinfectant for cleaning, etc."

A guest asked once: "And this is a hotel?"

What the Guest Does Not Know

The hotel has 59 rooms but only 32 can be rented because 6 rooms are occupied by families, another 19 are closed and are used only for occasional classes in hotel training and 2 rooms are used as storage for other hotels where old mattresses, broken furniture and other pieces of furniture are kept. In other words, the hotel operates at almost half its capacity.

And the Restaurant?

Let us begin by saying that in order to go to the restaurant, you have to go up 52 steps on a stairway that seems to reach to the sky because the elevator is broken. Even if it were fixed, it could not be used because it does not meet safety standards for this service. Once upstairs, one notices that the bathrooms are in very bad condition, the place needs painting, the doors are in bad condition, the cash register is bad and the windows are in deplorable condition.

The kitchen needs painting. There is an oil tank but it does not work because the workers of the Ministry of Chemical Industry say that oil cannot rise to the third floor. The hotel employees have to bring up a 55-gallon tank every time that it is needed, cranking up the elevator, slowly and exhaustingly. It is also necessary to do this with the other supplies...a tremendous effort!

Let Us Go Now to the Bar

Here there is not enough refrigeration since there are only two freezers. The bathrooms are in very bad condition, the place needs painting and the doors and windows are broken. There is no bar to place drinks on and some of the seats are broken. There is no running water or cash register.

In the Kitchen and Lunch Room

There is no running water nor enough refrigeration and the motors for this equipment do not have fans. Also the lighting is bad.

What We Know about the Hotel

It does not have any type of plumbing, does not have running water in any area, needs painting everywhere and has bad lighting. The garbage men do not pick up the garbage on schedule and there are delays in the delivery of merchandise. The food supply for the hotel is deficient and the audio system for the area reaches the Las Cañas beach. Lastly, the summer program that was planned for this place was not carried out by the Culture Sector.

In Spite of These Problems

The 32 workers of this hotel work every day to solve these problems and offer better service.

The restaurant and the area are visited by an enormous number of people daily. And the hotel?

"Only people in transit stay--that is, those who want to pay for one night or less to rest because there are no facilities for spending more than a day. If you go to the bathroom or take a bath, you have to carry water in a bucket and this is available only when the pump for the cistern is not broken."

Tony Perez, the administrator told us this. He added: "In spite of all these problems, the hotel is making more than 50,000 pesos a month but we are convinced that we are not giving the best service to the people. All the superior organizations know this but we do not yet know when these problems will be solved. They are not easy and will require considerable resources."

Some Considerations

Without pondering why a hotel that, until a few years ago, still operated with difficulties but within acceptable standards has reached such a degree of deterioration, we must bring up some concerns.

Could it be that the services of El Globo Hotel are not needed? If not, it could be closed and end this deplorable service.

If its capacities are necessary, its renovation must be given priority although we know that this requires resources that are not always available.

Meanwhile, why haven't the problems reflected in this report that do not depend on large investments but rather on management been solved?

This could be done with a little painting, a lock and the necessary materials or supplies for the daily operation of the hotel. We assume this could be done since they are available for the other installations of this type in the province.

The number of people who use the services of El Globo Hotel demonstrates that the state of general neglect into which this Pinar del Rio "hotel" has fallen must end.

Cockroaches, Filth Impair Bread

Pinar del Rio GUERRILLERO in Spanish 16 Sep 79 p 4

[Article by Nieves Enrique Gigato: "When Negligence, Slovenliness and Laxness Conspire Against Hygiene and Good Service to the People"]

[Text] On the morning of 8 September, comrade Mayra Diova Echevarria bought bread at the El Toro Bakery in this city. When she tried a piece of bread, she realized that there was a cockroach in it.

Mayra also stated that the floor, the clothes of the workers, the equipment and the cloth that covers the bread dough were dirty and in bad condition. This violates the hygiene standards dictated for these centers.

Critics of the situation took us to the El Toro Bakery where we talked with the administrator, Tomas Victores.

He told us that the unit was going to close on 30 September because it did not meet hygiene conditions for service and that he was there temporarily.

This was the first justification. Later we began to analyze the problems with Orlando Matos, a clerk at the center, and other workers.

Other Matters Arose from This Talk

This bakery serves 138 organizations and units in the city of Pinar del Rio. Four nearby grocery stores buy the bread directly; it also serves the Luis Lazo area to Kilometer 10. Three grocery stores in La Flora district also buy bread there. About 9,000 pounds of bread are baked there daily by the 38 workers of the center.

The buyers from the organizations, contrary to health standards, enter the bakery to pick up the bread. There is only one sales

employee and she, with her "clean hands," collects money and gives change and writes in the ration books of the buyers who buy directly here. She is not an official employee of the center and does not have an up-to-date health card.

There are days when the bread is delivered unwrapped because they do not have paper. When there is paper at the center, it is wasted since the same quantity is used to wrap 5 pounds or 1.

In a tour through the center, we verified the deplorable condition of the unit with its floors, walls and ceilings in disrepair but.../there are other problems that are not due to lack of resources/ *[in italics]*.

For example, we saw vats half-filled with bread dough uncovered, with flies on top. No one could agree on the last time that the cistern had been cleaned. Vats and other materials are placed on the lid while inside there is an enormous breeding ground of cockroaches.

The fact that the workers were wearing clothes that made them look more like coal miners than bakers attracted our attention since they had probably not been washed for several weeks. There is a bathroom between one oven and the other and 11 vats full of garbage have been there for more than 5 days. The dirty clothes of the workers were hanging near the ovens because the lockers and the bathroom are unusable.

The medicine chest was open, broken, on its side and empty.

This is the impression we received during our visit.

What the Administrator Said

"We have been here temporarily for a month. It is going to close soon and we feel that it cannot be improved."

In the presence of Basilio Guerra and Pedro Oliva of the Provincial Food Union and Hector Delgado from the union bureau of the Bread and Baked Goods Enterprise, we told the administrator that we were of the opinion that the major problems in the unit were easy to solve, with an investment, but that the most serious problem was the total absence of hygiene and the laxness concerning this situation.

Tomas Victores answered: "When they repair it, the new administrator who comes here will have to solve this problem."

What the Director of the Bread and Baked Goods Enterprise Stated

Jose Lopez Portilla, director of the Municipal Bread and Baked Goods Enterprise, told us that this bakery has not had an administrator

for 2-1/3 years because the former one is on an internationalist mission. The workers themselves have tried to correct the situation but there are still problems.

Tomas Victores is the temporary administrator here since his direct responsibility is the Celestino Bakery.

Concerning the problems that the unit faces, Jose Lopez Portilla explained that they will be solved by repairs that will begin after 30 September when the unit will be closed; 10,582 pesos have been allocated for general repair of ceilings, floors, walls, ovens, furniture and other electrical, hydraulic and sanitary installations.

Asked about bread distribution while this bakery is closed, Lopez Portilla indicated: "This unit will continue distributing bread in order to prevent new problems. The bread will be made in bakeries in the Ceferino Fernandez and Carlos Manuel de Cespedes districts. There will be no effect on users who buy here."

Concerning the problems presented in the report, he told us: "There are problems with the workers in this center because we do not have a permanent administrator here. When this unit begins to operate after its repair, we will have to screen the personnel who work here. We have to comply with the commitment of the collective bargaining agreement; when someone does not come to work well dressed and clean or violates hygiene standards, he cannot work in a bakery. It is necessary to comply with this in other units too.

"We agree with what has been indicated and it must serve as experience."

Lastly Tomas Victores, the temporary administrator of El Toro Bakery, said in reference to Mayra Diova Echevarria's criticism: "That comrade told us about the cockroach in the bread and we agree that her statement could be true because there are cockroaches here in the unit. However, we want to add that the situation of this unit was nicely explained to this comrade and she left satisfied. She later returned to the unit, was rude to a cleaning worker and said other things. We do not agree that she was treated badly. We can say that she wanted to buy a certain amount of bread, after the talk with us, and it was not sold to her because the sale of bread is regulated in this unit. Perhaps this led her to write some things that are not true."

Our Conclusions

From all the above, we have drawn our conclusions about the hygiene problem in this bakery. Mayra Diova Echevarria's criticism, whether

wholly true or not, has been combined with the deficiencies detected by the reporter. Since neither the union or the administration fulfills its role of demanding that the workers comply with health standards, someone has to be concerned about this situation. The direct responsibility falls to the administration of the Bread and Baked Goods Enterprise since these abnormalities should be corrected before the unit is closed on 30 September.

The people who have to eat the bread that this center bakes are not responsible for its problems. We believe that if the above is done and the center is organized, all the problems of El Toro Bakery will be solved.

Once more, negligence, slovenliness and laxness conspire against hygiene and good service to the people.

Heavy Agricultural Equipment Abandoned

Pinar del Rio GUERRILLERO in Spanish 21 Sep 79 p 4

[Article by Tomas Gutierrez: "More Than 70 Landplanes Parked for 3 Years in Water, Sun and Dampness"]

[Text] GUERRILLERO learned from some comrades about the abandonment of some agricultural equipment called Landplanes. This equipment has been parked for more than 3 years in areas of the Hermanos Barcon Food Enterprise in the Julian Aleman district of Consolacion del Sur, specifically at Kilometer 4 of the highway to Alonso de Rojas.

The reporters visited the site to investigate and learn the reason for this neglect that naturally hurts the economy of our country.

More Than 70 Landplanes

The grass, water, sun and dampness have already hurt the more than 70 pieces of equipment that are lying unused behind a restaurant in the district.

First they told us that they belonged to the district but the chief of the district said that although the Landplanes had been there for 3 years, their plan has nothing to do with them. He stated: "The only thing we have done is cut the grass on several occasions so that it does not cover their tires."

Old TRANSPORT Is Owner

We continued investigating until we found the owner of the equipment: the old organization TRANSPORT [Cuban Enterprise for Import of

Transport Vehicles and Equipment] whose fundamental task is now performed by EPAVEP [Provincial Enterprise for Supply and Sale of Equipment and Parts].

We talked with the person in charge of the equipment of that enterprise who told us that the Landplanes were put there in 1977 to be used for agriculture but later it was determined that they were not needed at that time. The equipment chief of EPAVEP indicated that later TRANSIMPORT was decentralized and now (6 or 7 months ago) the discussion with agriculture has begun again in order to determine what this equipment can be used for.

In summary, the rust produced by the sun, water and dampness is "working" on this machinery, each of which has four tires which, if not already flat, will be soon because of the weather to which they have been exposed for 3 years.

What does each one of these machines cost the economy of the country? Why weren't the real needs of agriculture taken into account first before leaving this large quantity of equipment there that today is lying in the grass and the mud?

It is good that EPAVEP is trying to respond to this situation. Cases like this should be avoided by all means since they hurt our development.

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CSO: 3010

ECONOMIC ROUNDTABLE EXPLORES CAUSES OF FAILURES, DEFICIENCY

Havana BOHEMIA in Spanish 5 Oct 79 pp 30-37

[Panel discussion: "Where Could the Fault Lie? In Men, Machines, Staffing, Operation, Recovery?"]

[Text] This article concludes the Roundtable on spare parts which, because of its length, we had to present to our readers in two parts. By virtue of its prior coverage, the topic of the spare parts problem and the machine-building industry that produces those spare parts opens up a field of vast information possibilities which we continue to explore.

We can right away draw some objective conclusions: The problem of spare parts is a worldwide one, peculiar not only to Cuba; we do not have a factory specializing in this kind of production and those factories that are in this line have found their action capacity limited by lack of support, that is to say, they do not have all the equipment, technologies, etc., necessary to put out a complete spare part; in many cases there is an extensive lack of skill in the personnel and the machine-building industry, especially the iron and steel machinery industry, presently working on that in an effort to provide suitable personnel; the problem of raw materials in this industry is similar to the problems encountered in other branches of the economy and will perhaps be aggravated by the lack of smoothness in cooperative activities, among other aspects. This roundtable brought out at least one really positive point however: we now have a sufficiently firm idea of what a spare part is and what the attendant problems are and what we are doing throughout the country in order to set up factories that will be really specializing in the production of these parts and thus to meet a good portion of the domestic requirements since the situation right now is really overwhelming. But it was also concluded that it is necessary to bring those widely scattered levels down, creating inviolable spare parts recovery discipline and spare parts repair and promoting the work of the inventors, rationalizers, and innovators of our industry.

In general we can conclude that much remains yet to be done in the matter of spare parts to get to the point where the mechanical industry will be able to supply what the country needs; but above all this must be done with the proper quality through slogans and correct operation and utilization

as an inviolable method because otherwise it would become increasingly difficult for us to approach the necessary balance required by industry in order to be really efficient.

Debate With Harmonious Contradictions

"The sugar industry does not by any length of the imagination need 20 or 25 kilometers of tandem chains per year; they do not take care of the chain, they do not lubricate it, and then it is busted. The same thing happens to the conveyor in between . . . the roll shaft sprocket, which lasts one year, sometimes two harvests, but not the ten or eleven years which a sprocket of that type usually lasts, with heat treatment in the teeth . . . the railroad car wheel which is not straightened out, as is universal practice . . . is simply wasted, we remove it from the axle and throw it away and we install another one." Gumersindo Seijido.

"It is not true that this combine blade that is not recovered . . . the chains used up by the sugar industry, I believe, has improved greatly in quality; but that was not so years ago. We must recognize that we have to improve the quality of the product so that it may contribute to a drop in the demand . . . and those who use the product should use it well so that the demand will go down from that angle likewise." Carlos Martinez.

Question 1

Palazuelos: It is often said that the country's machine-tool inventory is not being sufficiently utilized; it is also said that the inventory as such is insufficient. Nevertheless, people are now talking about going into the construction of machine tools in Cuba by way of assembly. What can we say about that and what is the situation here really?

Gumersindo Seijido: We recently started the production of machine-tools in cooperation with Bulgaria which means that, in the future, we will not be able to get cooperation from other countries. We have already assembled the first C-11-B lathes, which is a unit of medium to small size; it is powerful, it does not break easily, and it produces good results in operation in terms of durability. This year we are supposed to assemble several more and over the next several years to come we will continue to change from being assemblers to being builders, in an escalating manner, so that next year we will also be producing a certain number of spare parts for those lathes and, after five or six years, we will have to be making mechanical parts, properly speaking, ourselves. This ties in with other installations but the basic idea is that we should, in the shortest possible time, become producers of the major portion of the particular lathe, even though we may still have to import a whole series of electrical components used in that machine.

I would say that the machine-tool is more important than any other machine because it reproduces itself and it enables us to build other, very diverse machines. We might even say that it is a machine that gives birth. This is why all countries have assigned special significance to the machine-tool.

Montero: We would like to explain our opinion as to what the problem of idle capacities and insufficient operation consists of. Looking at a considerable number of factories in the machine-building branch and specifically in the SIME [Iron and Steel Machinery Industry], we can well say that there is a very great degree of underutilization of a whole series of machine-tools, something which can be seen individually in the number of machine-hours put in by those machines as compared to the objective involved in the production of a certain part. For example, there are gear-cutting machines which stand idle for a tremendous amount of time. That is true for example in the Guanabo industrial combine. And we can say that one of the main reasons for this is the status of completeness of the equipment in this production line. A considerable number of those gears must be straightened out according to technical specifications but the factory cannot straighten them out because it does not have the rectifier. We are not denying that, generally, there may also be organizational problems. This sort of thing does exist and we are not denying it. In very many cases we are incapable, as an industry, of meeting the demand for a certain product because we do not have the ultimate objective of maintaining a certain output flow and because we only have a part of that flow. This may be the case with domestic radiators for which we only make the radiator honeycomb; for example, we are making the honeycombs for the sugar combines and even for civilian users. But we cannot make the complete radiator because the factory gets equipment only to make the honeycomb. This is why we have a plan for the completion of some domestic industrial facilities so that these plants may be able to come up with finished, complete production, featuring the required quality. This can be explained a little bit from the viewpoint of our branch which is why we are asking for the completion of a whole series of specialized equipment units so that we may be able to finish the incomplete part which we are handling in those industries.

Antonio Bouza: Regardless of the answer provided by the comrade, I have my doubts whether that would completely take care of the point that was raised in the question from the newsmen about this certain clamor on the part of the workers in various employment centers throughout the country and not just in the iron and steel industry. I am not talking about the part that requires a final touchup in the equipment which we do not have in the first place; I am talking about the equipment that we do have. There are 20 or 30 lathes and milling machines installed in one place but they are not being used completely. People know that they are working only one shift, whereas working another two shifts, by simple arithmetic would increase the output, if you worked two or three shifts, that is. The worker sees that and, at best, when he goes home at 1500 he knows that the lathe will not be running again until the next day; he sees a truck unloading lathes behind the factory; perhaps they will not be used for more than eight hours either.

We say that the worker will be acquiring greater economic awareness and that the economic management system will give him that awareness . . . and the

clamor will only get louder because, if I look at my enterprise as experimental and if I get into economic calculation, you are going to create the bonus fund . . . if that battery of lathes works twice or three times the regular span of time then the profitability and the profit will go up-- although the depreciation will increase a little bit. I do not know, because I am not a technician in this matter, but if the profit goes down because of lower productivity, then the bonus you can get will also be smaller. Is that not so?

Seijido: I am going to tell you something in an effort to clarify the situation, not to justify it. I know a little bit about underutilization. The comrade says that this is not so in his branch and he therefore does not know what goes on in connection with that underutilization. The lathe and the parts output are not complete. This is not the same thing as the case involving a vehicle which--if we have a driver and gasoline--can be driven for one or two or three shifts. To get maximum utilization out of the machine-tool, we will first of all have to have a broad production program and the necessary number of parts to be produced in the lathe would have to be tremendous. This is the most critical case we have: the tremendous output, which we do not have. In our machine-building industry, cases of tremendous output can be counted on the fingers of one hand and the most frequent case is that the machine changes its output more than once during the shift. This is tremendously serious. In my opinion, the factors that influence poor utilization of machine-tools are, first of all, the lack of massive output and, secondly, the lack of diverse capacities for preparation required for the operation of the machine, such as the constant change of tools; the semi-finished product, documentation, the layout; this sort of thing cannot be accomplished in a short time. The workshops for the most part developed their personnel on the basis of the idea of achieving rapid preparation; but that is being done in many places. Making the machine-tool work and keeping it running for two shifts is something very serious because of the various factors that are involved in efficient operation.

Let us look at a good case: the production of blades for sugar cane combines which require thousands of blades per year. If we keep the equipment used in their production going for one month--such as cutting in the press, perforating in that same press, bevelling, rectifying, etc.--then the next month we will have to close the unit down because the raw material, etc., will have run out. We really do not know of any favorable case where massive output enables us to operate the machines continually. These are factors which we must deal with but they are not subjective factors; this of course does not mean that there are no other factors which are sometimes difficult to find.

Calas: I believe that there was one factor which is most important: those machines do not work by themselves, they work with men, with operators having a certain training level and a certain skill level and a certain degree of experience. The machine's capacity is measured in machine-hours and in man-hours. But let us go further: the problem of effective capacity, in

other words, how you use the machine during the shift for which you have the lathe operator standing in front of the lathe. Thus you get other factors because many times we are preoccupied with operating the equipment for two or three shifts and we do not realize that the unit is not being used efficiently during the first shift. By introducing minor technological improvements in the layout and some special tools, by changing the technology and replacing it with a more efficient one, and by more efficient production organization, the worker can produce twice as much during the same shift. And still, you have not doubled the shift.

Our ministry, together with other agencies, is now hiring a number of graduates of various outfits, such as the EJT [Youth Labor Army], the FAR [Revolutionary Armed Forces], etc., in order to turn them into skilled workers and technicians to cope with everything that is approaching us as a result of the spare parts problems. And those workers are being trained in our industries, such as in the metal-working enterprise⁶ "Miguel Saavedra" and "Enrique Varona". Along with that, we will reach higher levels of technological production organization through more efficient operation of equipment. But when those new workers--who have no worker tradition or culture--begin to arrive, we are going to have to create the proper conditions for them.

Carlos Martinez: The country has a machine-tool capacity installed which is not being utilized for the following two reasons: the lack of operators and the inefficiency of the existing operators who do not get the most out of their machines. Massive output can be an influential factor as comrade Seijido said, in certain places, but it cannot really be a general factor because that would lead to a contradiction: if there is no massive production, why should I continue to install more machines? There is a basic truth connected with the installed capacities: the country does not have total integration in this respect.

We have a specific situation in the workshops of the sugar mills: we have a certain number of machine-tools which are underutilized. The mill meets a part of its own spare parts requirements with those machines, including good spare parts which are not counted as production because they are in-house items; they are counted as expenditures under the heading of repairs; however, those machines are used during the period of repair time, at a certain rate--and they are not being used completely either. And then, during the harvest, they are being used even less.

If we had more highly skilled personnel, we would have a bigger output of parts to meet the demand of industry itself and we could even support agriculture and other sectors. Hundreds of machines have been installed for which we do not have operators. I think that one thing that will help us tremendously in coping with this problem is the application of economic calculation.

Question 2

Palazuelos: We are going to use this explanation which you gave us in order to put a question to you. Some skilled workers in industries we visited told us about their concern over the so-called intensive training courses for lathe operators, milling machine operators, and other technical specialties, adding that those courses are mostly insufficient because the new worker then requires more time to get practical work experience and that takes production time away from other, more skilled workers who have to help him along, etc. How does the machine-building industry in general plan to cope with the need for highly-skilled personnel, in the immediate future and in long-range terms, with a view to the development contemplated for the parts and spare parts production industry?

Calas: This is an investment problem: training a skilled worker is also an investment--in this case, an investment of time. It is true that it will take a certain amount of time for a highly-skilled worker to train two or three trainees. But that is an investment of his time which, although it takes a portion of his productivity away, will enable us to multiply by a factor of four, the number of two or three new workers whom he trained. But there is no other alternative: this investment of time must be made in this form. It is true that certain workers at times may feel bothered by all this. But this is an overall effort involving the mass organizations, the political organizations, the administration and it means explaining the need for industry quickly to attain the levels we want to reach, the levels which the government and the party are aspiring to. This is not an invention. It is used broadly in other countries, such as the GDR, but with conviction and understanding on the part of the workers to the effect that they are making an important investment of their time to increase the nation's production capacities and possibilities.

Noel Mesa: At our place we have been doing this job of training skilled workers who graduated from the people's schools in 1962. Today I can say that more than 40 comrades, who were my students, are good operators. It so happened that the expansion and the equipment put up at the "Sergio Israel Hechevarria" employment center were utilized to the extent of 90 percent by that group of comrades.

Not too long ago we received comrade Fidel at our place of work and he told us that our task at our place of work was to develop a group of skilled workers and he suggested it to us fundamentally so that we might be able to start putting in more lathes because we only have one now. Right now we already have about 248 comrades getting training at our place of work in seven specialties in our branch and we are employing twenty-eight teachers, including foremen and technicians. We discussed the situation with the comrades, urging them that they do their job well and that they perform this function as an additional duty outside working hours. That is independent of the fact that we are paying them; but that does not influence the establishment's output plan. Many sugar cane combines were run with parts made by the trainees. A highly-skilled operator is not developed simply through a study of the process; instead he must develop skill through

practice over a period of time. The Ministry of Education has various technological plans but the technology graduates, whom we get here, have to go through a period of on-the-job training before they can become technicians. To guarantee the future we will always have to sacrifice something of the present; and in this case what we are sacrificing is not so much and what we are guaranteeing for the future is quite enough.

Froilan Zulueta: In the machine-building branch, our national mining-metalurgical union is making a tremendous effort, together with the Mechanical Iron and Steel Working Ministry by providing skill training for young workers most of whom have been released from general military service. The machine-building branch requires approximately 30,000 youngsters for its development; if we start with the basic idea of giving them an overall training program, covering perhaps two or three years, then the machine-building industry will not be able to grow. The union has come to understand that and has been putting in some intensive training courses. In some cases you have to discuss the situation with some workers whom we asked to co-operate with us in this because their output was tied to their wages and, in some way, being an instructor in part has an economic effect on them. The union must take care of that portion and discuss the situation with the workers and make them see the need which the country has in this case so that they will be doing this above and beyond their own personal interest.

On the other hand, it is union policy to train many young people who today are employed in the factories without any skills and to assign them to those training courses. This is another discussion which we are conducting with the ministry, with a view to channeling the work of those youngsters who have no chance of attending any other type of school.

The economic management system is another variant. In launching into the discussion with the worker, who is going to make less money, you have to tell him that he must give in order to receive because economic accountability is the thing that has to make him politically sensitive. Comrade Calas brought up the story about the instructors in the GDR; we are familiar with that; but the instructors in the GDR get a certain additional pay which we do not have at this point because our enterprises are not financed in-house. When they are, we will see that what we are talking about now will not be a problem because the management apparatus will have to have an economic mechanism for remunerating the individual for what he is doing as an instructor and for which he cannot draw extra pay as a result of over-fulfilling the norms. These are mechanisms that have to be combined properly and the union is working on this now.

Question 3

Hugo Rius: What is being done to solve the problems concerning the pulleys and rubber belts for agricultural equipment and automotive equipment in general?

Well, we newsmen realize that there were many comrades here from the parts and spare parts enterprise of the chemical industry, as well as comrades from that branch in the Ministry of Agriculture and this is why we prepared some questions, such as the preceding one. Since those comrades, who are invited to this roundtable, did not show up, we went on to another question.

Question 4

Palazuelos: How is the electrical industry tackling the manufacture of parts and spare parts with a view to making the operation and maintenance of electric power plants more efficient and avoiding the import of components that are now being purchased abroad?

Roberto Loureiro: The Ministry of the Electrical Industry is engaged in a struggle aimed at the completion of documentation for the large number of equipment types we are using with a view to processing each year a larger quantity of spare parts for the maintenance of our electric power plants. This is a production effort with characteristics different from those presented here because we are dealing here fundamentally with individual spare parts which come in small quantities although they are highly complex and reveal various sizes. On many occasions it is not difficult to make plans for large quantities to be kept in stock, in the warehouse. We are studying and planning as to how the spare parts production effort in our ministry is to be handled in the future; we have taken some steps but we have a long way yet to go and we need such cooperation from the SIME since it would not be financially sound for us to have certain facilities which they have and which can meet our needs on the basis of cooperation, contracts, in the manner established under the SDPE [Economic Management and Planning System].

Regarding the substitution of spare parts, we are above all working on those imported from the capitalist area, such as sea water filters, baskets for air heaters in general, etc. We have tremendous work prospects here.

Juan Garcia: As an enterprise of the Ministry of the Electrical Industry, we are making spare parts for the maintenance of those power plants together with the workshops at the electrical power plants. These are highly complex spare parts because of the parameters within which they function; speed, temperature, corrosive environment, etc. The complexity of our work requires high skills and a sense of responsibility. Our spare parts production effort can be called a unit effort; we build practically on order: one or two spare parts at a time; all steels are inoxidable, special steels; we also have a situation involving a diversity of technologies: old capitalist plants, some new and more modern, and socialist plants. The spare part we make for the capitalist power plants is the imported spare part and represents a foreign exchange saving. The problem of technical documentation raised here is similar as far as we are concerned and, even within the electric power plants that come from the same source, there is no uniformity regarding documentation; in certain cases there is no documentation at all. We are moving to the solution of the problem connected

with spare parts that we are importing today and we are going to use those spare parts to draw up our blueprints and to start substituting them. During the full meeting of our ministry, it was suggested to us, as an enterprise, regarding the "peak plants," to put out a whole series of spare parts, both rubber and metal, which would add up to a saving of about \$145,000. But we can already express that in quantitative terms, something which has not been done so far. This is a small initial contribution.

We are likewise not against the idea of substituting machine-tools within our ministry and this is fundamentally connected with a skill problem: we need highly-skilled and experienced operators.

Through the ministry we are making an investment which will be represented by the electric power plants maintenance enterprise which today is in line with the workshops we have: three workshops, mobile units, etc. This will be an investment project covering 90,000 square meters in Havana, with workshops to handle certain specifications and with separate activity areas; this is one of the prospects pointing to more equipment and greater possibilities for our ministry. But we will still continue to require co-operation with other organizations. Concerning personnel training, we are interested in getting together with the "Miguel Saavedra" enterprise and we want to exchange experience with them on their methods and that could be a cooperative effort, could it not?

Bouza: We understand that the union can be of great help in this entire issue. For the first time this year we are, as a union--within the historical dates plans and in terms of the cost index and, very specifically, in terms of the savings pledge--contemplating the production of spare parts within each employment center so that the center may, in accordance with its possibilities, make good on its pledge to turn out spare parts to substitute imported items.

Another way the union can help is through cooperation from innovators and rationalizers in the ANIR [National Association of Innovators and Rationalizers?] who in many cases can answer questions about spare parts that we think could not be produced domestically and that could perhaps, with a minor innovation or invention, be placed into production; in other words, both the innovator and any other comrade can handle those spare parts from then on. Last year we had many shortcomings in the matter of information collection but we managed to make sure that 280,718 spare parts, amounting to 700,319 pesos, were turned out with the cooperation of the comrades from the ANIR. Many times, the comrades from the ANIR are underutilized and they are people who have resources, both intellectual and in terms of experience and skill, and sometimes they are not being used sufficiently by the enterprises, very often because there is no topic plan, because they do not tell those men: "well, in whatever way you can help me, go ahead and do it."

We believe that the union can also help in connection with production meetings, using the problem of spare parts as part of the points up for discussion and debating it together with all workers. As a union, we are going to develop this aspect in depth, wherever it may be feasible to have a discussion, in order to substitute imports.

Question 5

Hugo Rius: Is there any kind of correspondence between spare parts production, the demand for those parts, and distribution? Where is the weakest link in this most important economic chain?

Seijido: I believe that you can approach the answer like this: there is a spare parts directorate in the Mechanical Iron and Steel Working Industry, but on the national level I do not know of any agency that is concerned with the questions we have taken up here--and there is more to them than that--so that this correspondence may exist in the future, hopefully soon. I believe that we have a long way to go and that we cannot approach the issue in this way . . .

Calas: Since you are approaching it in this manner, I believe that we should come up with an answer which perhaps might not fully cover what you are after. Specifically, there is no correspondence. But I believe that this is a problem of links and not just one link. The link which we could call the fundamental link is development. But in talking about development, you have to talk about planning, about the development of the raw materials supply industry, about the steel industry; development of skilled manpower necessary throughout the country; development on those levels that must be demanded in terms of the operation of basic equipment throughout the country; the problem of raising the consciousness of the worker who operates that equipment; the fundamental link that influences the various import levels which we may have from the viewpoint of supply and demand; the fundamental link in terms of the possibilities which the country has to tackle all technological problems which, from the material viewpoint, may have an effect on the necessary correspondence between the spare part and the existing equipment. All of this is development and it would be difficult to approach the question by looking only at one link because the development of the spare part, no matter how simple it may be, involves a very special chain and that correspondence is so difficult to bring about that today, worldwide, one of the things that is causing the most difficulties and the most thinking, including computer scientists and mathematicians, is how to achieve that correspondence between the existing equipment at a given moment and the possibilities of maintaining it for a certain period of time without difficulties that would have repercussions on equipment operation. I believe that you cannot go just after one link; there are various links involved here.

Montero: And any of them can stop the equipment!

Question 6

Palazuelos: What problems does the machine-building industry face with respect to raw materials for the production of parts and spare parts and how is that problem being solved?

Seijido: This problem of supply is a complex one and I do not believe that it is that out of ill will on the part of anybody but simply because it is complex. The markets are far away and bottlenecks crop up sometimes. I would like to talk about a specific case involving "Miguel Saavedra," that is, the case of the abrasives. In a plant such as this one, they use a wide variety of abrasives, such as: emery wheels, specifically, in their various shapes, sizes, grains, grades, etc. We have two or three nut rectifying machines. It is probable that we do not even have half a dozen in the country perhaps. Perhaps as a result of this drop in the demand for nut rectifying stones, we did not generally receive the stones we need. Perhaps, since we have so few machines and since so few stones are being imported, we are not importing those either and you get a vicious circle. The machine is not used because we have no wheels and the wheel is not brought in because there are so few machines. We are the only ones who make taps in this country. But, since we do not have wheels, we cannot rectify the nut and we do not make the tap. Some were made, but in small quantities.

Noel Mesa: This creates tremendous difficulties for us. It slows our development down. The tap is a product which we have to import constantly. I recall that the comrades from the electrical industry, who needed taps with special pitch, solved those problems themselves. And now I believe that have to go to Europe to solve those problems. This is a problem since this situation is not being understood because of the overall way in which we analyze the economy and because of the lack of a planning system to tell us what comes next. In not considering the consequences deriving from the failure to produce those items . . . well, so much for that.

Seijido: There is one important aspect which we cannot skip over. We have a unit that repairs machine-tools; it is the "Sergio Israel Hechevarria" workshop. Here we have a problem that we have been discussing for many years and it seems that we are not getting anywhere. Bearings, retainers, belts, and a whole series of equipment parts are being imported basically for the purpose of maintaining the equipment, the machines, and the installations. But we repair machine-tools as a production activity, not as machinery maintenance, and we constantly watch production development in our "Sergio Israel Hechevarria" workshop being slowed down due to the repair of machine-tools which are for everybody else; this is so because allocations are restricted since those items come under the heading I mentioned, which is maintenance. They do not get here in the same enormous quantities as sheet metal, with a specific production purpose in mind. We have so far been unable to get those items which generally are worth rather little, as production import item, not as maintenance import item. And this is where the problem comes from. We had to scale our repair plan down this year by a rather high percentage: almost 30 percent because of that matter of lack of understanding but that is the way things are.

Calas: The vital problem of the machine-building industry concerning raw material for spare parts production is the same problem faced by other industries with raw materials. It is the broad range of diversities in raw materials, especially steel plate, that is involved in each of these spare parts. This is not the fault of the CEATM [State Committee for Technical and Material Supply], nor of the industry as such, but of the objective conditions which we have been facing ever since the triumph of the revolution until now with respect to the quantity of equipment items which we necessarily had to import in order to cope with the blockade imposed by the United States.

These raw materials have to come from very far away and many of them are not marked or standardized within the industry that can offer it to us. How does the machine-building industry face that problem? It does so by studying ways to substitute those raw materials. The Metallurgical Institute is studying the chemical and mechanical characteristics of the necessary spare parts and is moving toward the substitution of the raw material which can indeed be achieved in the socialist area with the Soviet Union, Czechoslovakia, and Hungary. Especially the USSR.

This is a systematic effort, in contrast to the principle which is drawn up in a casuistic form. Going further, we are working on drawing up a series of parameters to achieve standardization of spare parts to get the proper raw materials and sheet metal items, even though this may not be under optimum conditions, and to get to the point where the machine-building industry by itself will be able to solve all those problems together with the integrated steel industry which is being set up with steel rolling mills and other types of mills. The complexity, in summary, resides not so much in the raw material but in the complexity of the spare part itself. Many times, a certain raw material is a patent of the spare part producer, such as pistons and engine cylinders.

In other words, those problems, which we can see so far away from us today, are going to be approached from the viewpoint of our development. We hope that these problems will be increasingly resolved through the development which the machine-building industry is experiencing in general throughout the country and through the support of our government and party. It is precisely those limitations which are persuading us increasingly to develop the study and analysis as well as the substitution of spare parts.

Question 7

Palazuelos: Why, if there are official operating and maintenance standards as well as standards for the utilization of lubricants and grease why is there a continued interest in the demand for spare parts due to the poor operation of equipment and the violation of the standards? Are the spare parts being used correctly in the course of operation?

Seijido: Well, so far the whole thing has been presented in a unilateral manner: you have been telling us what the product user thinks; you have been talking to us about the underutilization of capacities and the inability of the machine-building industry in general to solve that problem.

But so far, not a word has been said about the utilization of the spare part itself. I do not want to talk here about the poor operation of equipment but about the thousands of spare parts as such. We all have been at sugarcane collection and processing stations and we have seen the sugar cane combines at work. Do you know that those knives, which cost 25 pesos and which last year were worth 70 pesos or something like that, are not sharpened? Considering the quantity of expensive imported material they involve, plus expensive processing, it seems absurd that they are not sharpened and they are not being utilized for some reason which is beyond me. They are mounted in the machine; it is probable that it takes half an hour to exchange them; so they put "a little pile" here and it is quite probable that we might see that same little pile, those same knives, again in the same place next year. This is a serious thing; there are thousands of knives in a similar situation. But there are other spare parts that are handled in the same way. It is a said thing to say that the sugar industry does not in any way whatsoever need 20 or 25 kilometers of tandem chain per year and that is more or less the requirement it comes up with; they do not take care of the chain, they do not grease it, and the chain breaks. The same thing happens to the chain of the intermediate conveyor although it is possible that this is no longer the case. But exactly the same happens in the case of the roll shaft sprocket, even though the machine-building plant produces a sprocket of the proverbial quality from the viewpoint of the way it is cast, the metal, although it is not machined with teeth; it lasts about a year, sometimes it might last for two harvests, but not the ten or eleven that a sprocket of this type should normally last with heat treatment of the teeth. I mention this because this refinery sprocket is worth 2,000 pesos and lasts one harvest or sometimes two harvests. This is not the case with the knife which is worth 25 pesos. The same thing happens to the railroad car wheel; it is never rectified, as is universal practice. Thus, when it is worn out, we remove it from the axle, we put it aside, and we mount another one. This way we have abnormal and artificial production of wheels. The same thing happens in the case of earth-moving equipment involving bulldozer chains, the "caterpillar tracks," which are generally not recovered. For example, now that you mentioned it, "Vanguardia Socialista" is going to produce wheel elements but it will not recover a single piece of plate, not a single wheel, not a single chain link, which are very expensive and which were always repaired by welding, thus doubling or even tripling the wheel's lifetime. The Soviet industry and even the Japanese industry recover them. The same is true of chain sprockets; we do not use any of that; we allow ourselves the luxury of not refilling them and we keep changing them and that causes a distortion in the demand, it makes the demand artificial. It costs us a lot of money. We have to talk here not only about the production of the spare part but about the use--or the misuse, I would say--to which it is subjected and the failure to recover a whole series of important items, so that we lose millions of pesos each year. Why are the knives not sharpened? What is the classical example here? Because agriculture does not have a single knife sharpening machine. They are not prepared to recover those knives by sharpening them. By sharpening them, they could use those knives as many as four, five, or even more times and they could increase their useful life.

Carlos Martinez: In the sugar industry, we represent the equipment and spare parts area. In other words, we are not consumers of spare parts and we have opinions also on the misuse of spare parts. It is true that there is a situation which is to be found not only in the sugar industry but throughout the country, involving the improper use of spare parts due to inefficiency, irresponsibility, negligence, and a whole set of other factors. There are cases where an explanation could be given as, for example, in the case of the knives at the sugar cane collection and preprocessing station. It is not true that those knives are not being recovered. Some cases might have been detected but there are facilities for recovering them in the sugar mills and they are being recovered. In other cases there may be a rise in the demand and we of course are involved in that. Misuse of spare parts means that it will not last as long as it is supposed to last. But there is one thing that has to be pointed out and I want to lay this right on the line: we have to improve the quality of our output because poor-quality output--and I am a producer, too, I repeat--contributes to a rise in the demand. In the case of the chains consumed by the sugar industry, I believe that the quality has been greatly improved; but this was not so years ago and the consequence was that the chain would not last as long as it should. And this is also happening in a number of other things. We have to admit that we must improve product quality so that this may contribute to a decline in demand and we must also ask the users to make proper use of those items so that the demand will go down.

Calas: We share the opinion expressed by comrade Martinez. This ties in with what was said earlier and it is one more link in this chain; this is a part of growth. Another minor link involving the problem of quality may be connected with the problem of this industry; lower quality means more consumption; higher quality means less consumption, more durability of the particular spare parts and less need for replacement. But there is also one other little aspect and that is operational utilization, improper operation of equipment, regardless of the fact that there are norms and restrictions for such operation. The other problem is maintenance and here we are really deficient. Yet another problem involves recovery and repair of spare parts. If we want the curve of spare parts consumption levels to go down a little bit, we have to increase the spare parts recovery and repair levels, something which we are not doing now. And this is just one establishment within the machine-building industry. Could there be sufficient facilities in the sugar mills to repair and sharpen those knives which belong to the sugar cane collection and preprocessing stations? The sugar industry however thinks that it has to put up facilities to handle another type of production effort--but not this one.

There is one specific case which the spare parts directorate is working on. You heard about the problem involved in the big battle that was being fought with respect to spare parts for the XTP, the sugar cane combines. The iron and steel working industry had to handle the most complex spare parts in those sugar cane combines in a wide variety of installations which were not prepared for this kind of spare parts production. Almost all of the most complex parts were assemblies or moving components in those combines. But did anybody bother to realize that, very often, the person operating the equipment, the person maintaining it, the person who uses it, when a piece in that component breaks, for example, a subassembly, the chopper, simply

goes ahead and asks the industry for a new one and throws the complete assembly away because he has nothing to fix it with? But with two or three spare parts out of the 60 or 70 included in the assembly, the problem could be solved. Instead, they ask for a complete new assembly because the recovery department of that industry has not created facilities, such as those that were installed in agriculture to repair engines, tractors, and farm tools; installations have still not been created to repair subassemblies and assemblies for sugar cane combines. When the study, now being conducted by the SIME spare parts directorate, together with the comrades from agriculture, in an effort to set up the network of workshops for the repair of the KTP-1 combine, has been completed, there will be a considerable drop in the levels which the sugar cane section of agriculture is demanding today in order to cope with the harvest problem.

I believe specifically that the problem of spare parts reconstruction and recovery, assemblies and components must be an effort that must be stepped up throughout the country, parallel to the production of new parts, within the machine-building industry as a whole.

Panel Members

Engineer Mario Calas, Technical Manager, Central Agency, SIME.

Engineer Gumersindo Seijido, Deputy Manager, "Miguel Saavedra" Enterprise, SIME.

Engineer Manuel Montero, Head, Technical Department, Spare Parts Directorate, SIME.

Engineer Carlos Martinez, Manager, Machine-Building Production Branch, MINAZ (Ministry of the Sugar Industry).

Engineer Roberto Loureiro, Manager, Electric Power Plants Maintenance Enterprise, MIE (Electric Power Industry Ministry).

Juan Garcia, Deputy Manager, EMCE (Electric Power Plants Maintenance Enterprise), MIE.

Noel Mesa, Secretary-General, Management Office, PCC [Communist Part of Cuba], "Miguel Saavedra" Enterprise, SIME.

Froilan Zulueta, Secretary for Competition, National Mining-Metalurgical Union.

Antonio Bouza, Official, Competition Secretariat, National Chemical-Energy Union.

BOHEMIA Newsmen

Hugo Rius, Chief of Information.

Raul Palazuelos, Bohemia Economica Section.

Tony Martin, Photo-Reporter.

ECONOMIC CONDITIONS: MECHANIZATION, COOPERATIVES, CONGESTION

Farm Mechanization Progress Report

Havana GRANMA in Spanish 26 Sep 79 p 3

[Article by Juan Varela Perez: "Agricultural Mechanization, Its Successes and Problems"]

[Text] In spite of the progress seen, the accelerated process of mechanization has not led to total or efficient exploitation of resources. However, the solution to all these problems is being worked on.

Speaking at the opening of the second session for cadres at the National Training Center for Sugar Cane Workers, Rafael Francia Mestre, minister of agriculture, discussed a subject that, according to him, must make us think: agricultural mechanization, its successes and problems.

He explained that it is a well-known fact that, since the first years after the triumph of the revolution, the massive and accelerated introduction of mechanization constituted one of the pillars of transformation of our traditional agriculture into modern agriculture and into the principal means to improve working conditions in the field and to increase productivity.

In 20 years the tractor pool has increased by more than 10 times, a powerful repair infrastructure has been created, a massive training program for operators and mechanics has been undertaken and large investments have been made in the agricultural equipment industry.

He noted that this financial, material and human effort made it possible to go quickly from manual labor to mechanized labor in almost all the tasks of conditioning and preparing the land and 40 to 50 percent of the sowing and cultivation, 25 to 60 percent of the

harvesting of principal products, 40 percent of milking and almost all the harvesting and transportation of crops. The services of agricultural aviation also increased.

This also meant going to organization of large-scale production, introducing new technologies in cultivation, meeting the shortage in the labor force during agricultural growth and increasing productivity and the average wages of agricultural workers which led to efficient agricultural processes and raised the level of integration of the working class.

Francia Mestre emphasized that "this accelerated mechanization process has not led to the total or efficient exploitation of resources which it is possible to attain so that the resources that the revolution puts at the service of agriculture are not exploited. This general evaluation of agricultural mechanization is also applicable to sugar cane cultivation."

The minister's full explanation showed that the replacement of manual labor by mechanized labor has also been accelerated in cane agriculture. Thus, at the end of 1978, all the tasks of conditioning and preparing land, 15 percent of the sowing, 70 percent of the cultivation, 20 percent of the crop dusting, 99 percent of the harvesting and 50 percent of the cutting were mechanized.

The effort that was necessary in our country in order to solve mechanization in this aspect of the harvest, from the initiatives and unforgettable and constant example of Maj Ernesto Che Guevara, then minister of industry, to the fraternal technological and material aid from our sister country, the USSR, is no secret to anyone.

Weak Points Must Be Strong Warning

In an openly critical spirit, Francia Mestre stated that "the successes attained make the weak points of our mechanization more obvious; we believe it is necessary to summarize them as a constant warning."

He enumerated the following:

Low productivity of mechanized labor and yield per machine.

Low rate of utilization of the vehicle pool and repair facilities.

High rate of breakdowns and obsolescence of equipment.

Low-quality maintenance of repairs and subsequent high consumption of parts.

He added: "When looking for the causes of these problems, we repeatedly find the same group of factors":

Administrative and leadership weakness.

Lack of organization and planning for exploitation of the vehicle pool.

Lack of technical discipline.

Laxness in demanding qualification and skill in operators and mechanics.

Violation of work and wage organization.

Lack of controls.

He expanded his detailed evaluation. "This enumeration shows that mechanization means more than having many resources; mechanization must be thought of as a system of interdependent elements, all of which are equally necessary in order to attain efficient work capacity." Mechanization is, therefore, the following:

Equipment pool and implements in good working condition.

System of adequate repairs.

Stock of spare parts.

Appropriate agricultural technology and territorial plan for mechanization.

Strictly followed set of norms for use and maintenance.

Skilled labor force organized with defined responsibilities.

Work organization and wages formulated on technical bases.

Control mechanism for incentives and sanctions.

Strict planning and programming.

The minister repeated: "Only by adapting to all these elements will we manage to keep our mechanized resources and use their capacities to the fullest extent."

In the 1972-73 sugar harvest, machines cut 482,000,000 arrobas; in the past harvest, that rose to 2,298,000,000. This increase means an average annual growth in the mechanized cutting area of more than

57 percent. That increase, along with the increased productivity in manual cutting, has helped decrease the number of cane cutters in each sugar harvest from 350,000 in 1970 to 120,000 in 1978.

Francia Mestre stated that, because of party guidelines and in fulfillment of an agreement of the Executive Committee of the Council of Ministers, the Ministry of Agriculture has analyzed the factors that have most affected cane mechanization in the past two harvests and has established a work program whose required application will make it possible to attain the objectives outlined.

This plan includes measures and participation referring to:

1) Increased technical and cultural training of the personnel who participate in cane mechanization; 2) conditioning of the areas for mechanization; 3) supply of repair parts; 4) insurance of the harvest; 5) influence of the combines on cane development and mechanization; and 6) living and working conditions of the mechanized harvest squads.

Lastly the minister of agriculture pointed out:

"This plan is aimed at improving work organization, the cornerstone of good productivity, which, starting from the planning of operations includes the skilled operator, work norms and control, timely maintenance of equipment, uninterrupted flow of transportation, etc.; in other words, an organization with well-insured means and well-supervised execution."

A determining factor in this program is the skill of the leadership cadres which are in charge of the realization of those objectives.

Farm Cooperative Movement Growing

Havana JUVENTUD REBELDE in Spanish 26 Sep 79 p 1

[Article by Luis Hernandez: "551 Agricultural and Livestock Production Cooperatives Established in Country"]

[Text] As of 21 September, 551 agricultural and livestock production cooperatives had been established in the country of the 910 that should be formed this year.

This was announced at the plenary meeting of the National Committee of ANAP [National Association of Small Farmers] which is being held at the headquarters of this organization in Havana. It was stated that there will have to be a major effort to establish the remaining 359 cooperatives.

The meeting is presided over by: Arnaldo Milian Castro, member of the Political Bureau; and Jose Ramirez Cruz, Rafael Francia Mestre, Armando Acosta and Faustino Perez, all members of the Central Committee. It is analyzing the work done by ANAP in the first half of this year.

The cooperatives established are listed by type of production: tobacco, 175; cane, 163; vegetables, 107; coffee, 52; livestock, 35; grain, 11; and fruit, 8.

It was revealed that there are still 16 towns in the country that do not have cooperatives of this type. The provinces of Villa Clara, Sancti Spiritus, Ciego de Avila and Las Tunas have them operating in all their towns.

After the main report on the tasks developed in the first half of the year had been read, Milian pointed out the importance of irrigation for productivity and indicated, among other things, that "it is necessary to strongly consider the application of new varieties and better cultivation techniques in order to obtain higher production per area."

At the meeting the importance of the skill of the presidents of credit and service cooperatives with respect to the Economic Management and Planning System was pointed out.

Seminars that have been given and are now being given explain a simple accounting system and a statistics system which are somewhat difficult to apply since there has been no previous experience; however, they are indispensable from the economic point of view.

It was also reported that ANAP now has 131,564 vanguard peasants, 37,688 of them women.

Analyzing the past sugar harvest, it was stated that cutting productivity per peasant was 257 arrobas, 15 more than in the previous harvest. Except for Pinar del Rio, Havana and Santiago de Cuba, the provinces surpassed their totals in the 1978 harvest.

Concerning cane production in the peasant areas, there was notable progress with 103 million more arrobas crushed than in the preceding harvest.

It should be pointed out that the provinces of Matanzas, Havana, Santiago de Cuba, Granma and Camaguey have already surpassed an average of 80,000 arrobas per caballeria.

As this edition went to press, representatives from the different provinces at the meeting were discussing the main report read by

Leopoldo Ariza, first vice president of ANAP. This important meeting attended by members of the National Committee, section chiefs and officials of ANAP will have ended now.

Disorganization Causes Output Congestion

Havana GRANMA in Spanish 28 Sep 79 p 3

[Article by Joaquin Gramas: "Finished Products Not Picked Up on Time From Production Centers Will Be Taken by Chemical and Power Industries Workers to Tardy Enterprises and Organizations"]

[Text] "If the problems that cause organizations and enterprises not to pick up the finished products from chemical plants and light industries--whose workers belong to the Union of Chemical and Power Industries Workers--continue, our workers will take those products to the places that are affecting their production quotas by their negligence and disorganization," stated Noel Zubiaur, secretary general of the union.

Zubiaur referred to the problems in fertilizer, soap, perfume, cardboard and plastic factories, among others, because many enterprises and organizations inconsiderately make them their warehouses by not picking up their products on time.

Criticism of this problem continued during the last day of the meeting of the National Committee of the Union of Chemical and Power Industries Workers which was closed by Francisco Travieso of the Secretariat of the CTC [Central Organization of Cuban Workers]. Raul Perez, vice minister of light industry, also gave a special talk.

The National Committee agreed to offer all its support to the commitments agreed on in the work centers of light industry to help production in that branch and studied some problems that affect important production centers. Nelda Leonard of the union bureau at Plastico Habana referred to the unheard-of losses caused by changes in stock made by Calzados without coordination with her enterprise. This has caused the additional manufacture of more than 1 million plastic heels and lifts with subsequent harm to our economy.

The union leaders also analyzed their own problems in emulation and attention to other problems related to the union cadres. They discussed the urgent need to intensify demands for compliance with safety and hygiene measures in the work centers since the rate of fatal accidents has increased in those sectors.

7717

CSO: 3010

BRIEFS

CZECH NICKEL INDUSTRY EQUIPMENT--According to a contract concluded in Havana, Skodaexport, Foreign Trade Corporation, will supply Cuba with technological equipment for a production complex for the manufacture of nickel and cobalt. This contract secures and closely defines Czechoslovakia's participation in the construction of the complex at Las Camariocas in the north-eastern part of Cuba which will be the result of the cooperation of member-countries of the Council of Mutual Economic Assistance. It also covers the final delivery of a compressor station whose main supplier will be the CKD Works in Prague. The construction work involved will be carried out by the Industrial Buildings corporation in Brno. Supplies will be gradually dispatched to Cuba as from the middle of 1981. [Text] [Prague FOR YOU FROM CZECHOSLOVAKIA in English Sep 79 p 82]

CSO: 3020

'ANDES' CHARGES JUNTA SERVES INTERESTS OF BOURGEOISIE

Panama City ACAN in Spanish 1511 GMT 24 Oct 79 PA

[Text] San Salvador, 24 Oct (ACAN-EFE)--The establishment of a new government does not respond to the people's interests but to the "country's bourgeoisie and imperialism," Pedro Brand, secretary general of the National Association of Salvadoran Educators 21 June [ANDES 21 June], said today.

Brand believes that the junta and its government will slowly reveal itself to the people and its bourgeois nature will show. He added that the junta members are "unmasking" themselves by stating that there are no missing persons or political prisoners.

Brand asked: Where are the almost 300 missing persons then? Where is Maria Teresa Hernandez Saballos, Dr Madriz, Professors Efraim Arevalo Ibarra and Manuel Rivera and hundreds more?

To Brand, the only way to establish a democratic government in the country is with the hegemony of workers and peasants in order to end the present structures of the "capitalist-dependent system."

He noted that an individual analysis of the cabinet members cannot be made because together they respond to a specific scheme and not to the good intentions each may have.

He announced that the teachers will request a meeting with the new education officials for Tuesday in order to state their demands that they had already presented more than a year ago.

CSO: 3010

EL SALVADOR

KIDNAPED BANKER'S SON OFFERS SELF IN EXCHANGE

Panama City ACAN in Spanish 1221 GMT 9 Oct 79 PA

[Article by Rosendo Majano H.]

[Excerpt] San Salvador, 9 Oct (ACAN-EFE)--The eldest son of banker Luis Escalante Arce, who was kidnaped here 8 October by a group of unidentified persons who raided his residence, yesterday offered himself in exchange for his father, who he asserts is seriously wounded and needs medical attention.

He voiced a desire to make speedy contact with the kidnapers in order to make the offer.

So far none of the extreme leftist groups operating in El Salvador has claimed responsibility for the abduction of the 72-year old banker.

CSO: 3010

GUERRILLAS URGE MILITARY TO TURN AGAINST GOVERNMENT

Havana International Service in Spanish 1600 GMT 18 Oct 79 PA

[Text] In a communique published in Guatemalan newspapers, the People's Guerrilla Army [EGP] urges the country's honest military to turn their arms against Romeo Lucas Garcia's regime and join the ranks of the people. The press published the document in complicity with one of the demands presented to the government by the EGP for the release of landowner Jorge Raul Garcia Granados, nephew of Lucas Garcia, who was kidnaped on 7 October.

The document is addressed to young officers and honest armed forces members and says social, economic and political repression in Guatemala injures all democratic and political sectors in the country.

In turn, the Mexican Communist Party [PCM] urged democratic, progressive and revolutionary Mexican organizations to support the Guatemalan people in their struggle against Romeo Lucas Garcia's tyranny. In a related document, the PCM reproduces a call by Guatemala's patriotic labor youth accusing the military tyrannies of killing more than 40,000 patriots in that Central American nation.

CSO: 3016

GUATEMALA

BRIEFS

TREMOR DESTROYS HOMES--Guatemala City, 27 Oct (ACAN-EFE)--The Guatemalan emergency committee has reported that many peasant homes in the interior were destroyed this morning by a strong earth tremor. It was learned that although there were no victims, the tremor caused material losses. The tremor, which registered 5 on the mercalli scale, shook Guatemala at 0835 today (1435 GMT) and lasted 35 seconds, according to initial reports. Inhabitants in the Guatemalan capital were alarmed by the tremor. [Text] [Panama City ACAN in Spanish 1505 GMT 27 Oct 79 PA]

CSO: 3010

MEDIA ASKED TO RECTIFY ITS ATTITUDE TOWARD GOVERNMENT

Tegucigalpa Domestic Service in Spanish 1130 GMT 17 Oct 79 PA

[Text] As days go by and the census revision continues normally, it is becoming clearer that the capricious charge of an alleged election fraud is just another fabrication and part of the campaign to discredit the elections that well-known enemies of peace in our country are promoting to achieve unforgivable goals.

Faced with this, we must analyze our situation. Honduras is nearing elections to be held on 20 April 1980. Through these elections our country will return to a constitutional form of government, the highest aspiration of the Honduran armed forces.

Unfortunately we find that one of the factors that contribute most to a state of unrest are some communications channels that echo, and sometimes fabricate, reports that are detrimental to social peace, such as the little warhorse represented by the alleged elections fraud.

The government of the armed forces has nothing to hide. It is once again demonstrating that it knows how to fulfill its word to bring happiness to the people by returning the country to a constitutional government. The Armed Forces Institute was not a determining factor in altering this government but was forced to intervene in response to popular demand, before political anarchy and administrative chaos could take hold in our country.

Some news media in the country are already known for their inexcusable attitude toward any government measure, regardless of how beneficial it may be. These media only want to attack a government system that has done them no harm. It has been these news media which have broadly publicized accusations of an alleged elections fraud. Most of the time, these charges do not come from responsible and recognized political sectors. They have echoed irresponsible charges made by any self-appointed critic or political leader, and do not care how serious the report could be or about the prestige of the news medium that does the reporting. They allow the most absurd slander.

We insist that the best rebuff to the unsubstantiated charge of an elections fraud is the normalcy with which the revision of the elections census is taking place. This census will record the number of voters eligible for next April's elections.

Our highest aspiration is that certain news media that claim to be serious and responsible rectify the attitude they have assumed for the sake of their reliability and prestige, however, everything apparently indicates that this is not possible.

CSO: 3010

NICARAGUA

FIRST TWO MONTHS OF NEW REGIME ASSESSED BY MADRID PAPER

Madrid EL PAIS in Spanish 4, 6, 7 Oct 79

Four part article by Angel Luis de la Calle: "Nicaragua: Two Months After the Overthrown of the Somoza Dictatorship"

Part I, 4 Oct 79, p 7

Text It is not easy to give conclusive answers to the questions being asked by the very diverse sectors of the community about the progress of the revolutionary process in Nicaragua. Especially when the question being asked is whether Sandino's homeland, after 40 years of dictatorship, will take political steps toward a pluralistic democracy or toward a totalitarian system of the left. And it is precisely on this point that international concern is focused, especially that of those nations aligned with the so-called "Western-bloc" nations. But now at Nicaragua's most difficult hour, speculation over the "cubanization" of the Nicaraguan process has become trite. Our correspondent in Latin America, Angel Luis de la Calle, has just visited that country 2 months after the overthrow of Somoza.

After visiting Nicaragua 2½ months after the fall of Somoza, an impartial observers reaches the conclusion that this topic is very low on the scale of priorities here. Except in a few isolated cases, there seems to have been tacit agreement on overlooking ideological proposals and focusing attention on more pragmatic questions such as those related to national recovery.

This does not mean that there is absolute unity on the strategy and objectives of the victorious revolution. Differences are sometimes very much in evidence, but these instances never go beyond isolated or incidental occurrences. There are groups that would like to see a pure socialist system established now and since this is not taking place, they are highly critical of those heading the decisionmaking process. There are other sectors that believe that the Sandinists have broken the agreement between them and the reformist bourgeoisie who supported them in the struggle against Somoza.

The statements made by Tomas Borge, unquestionable leader of this process, are clear proof of this search by a majority of the current leaders for equilibrium. The Interior Minister, who unquestionably is less charismatic than Fidel Castro, does not hold his tongue when it comes time to criticize the Trotskyites, whom he calls "ultraleftist idiots," as well as Somoza's followers whom he also classifies as "counterrevolutionaries." Commander Borge did not shrink from his responsibility when it came time to expel the members of the Simon Bolivar Brigade which had incited the Nicaraguan peasants into expropriating all private property nor when it came time to respond to the charges that the present administration is filling public posts with members of the bourgeoisie. Borge pointed out that some members of the bourgeoisie are "honest." He recognizes with the same detachment that the revolution has perhaps been too lenient with its enemies, that it accepts the lack of control over the number of people in the country that are armed which poses a potential danger. Gestures like these are very significant coming from a man who has a great deal of responsibility in directing the revolution.

Many sectors would like for the Nicaraguan government to set a date now for general elections and they would hope that the date would be in the near future. Objectively, there are conditions which prevent this: There are no reliable census figures and to conduct a census would require valuable human and financial resources which Nicaragua has to use on other tasks. The type of ideologies that could comprise a pluralistic system have not been completely defined. Under Somoza there were two nearly identical parties, despite apparent differences, on which the people had turned their backs in a haughty manner. The opposition, outside of liberals and conservatives, was composed of small, nearly family-like groups which adopted the ideology of one of the international trends in vogue. These small groups still exist today, but they have not expanded their horizons. They have been replaced by Sandinist doctrine which is more of a feeling than an ideology or a set of ideologies.

But the road has not been closed, a priori, to the various parties or to their participation in the Nicaraguan political process. A few days ago the Social Democratic Party was formed and, incidentally, it created a great deal of discord because its leaders decided to add "Sandinist" to the title of their organization. The boldness of the Nicaraguan social democrats gave rise to a decree by the Government Junta which stated that no group, with the exception of the FSLN /Sandinist National Liberation Front/, could use the word "Sandinist" in its title. This decision means that the Sandinist Front does not want the enormous political force of this vanguard organization to lose its Nicaraguan identity.

Even so, with all of these difficulties, the authorities have indicated that within 2 or a maximum of 3 years elections will be held in Nicaragua and, if the situation permits, municipal elections will be held at the end of 1980.

/Text/ It would be idiotic to believe that within the next few years there will be in Nicaragua a group that will eclipse the Sandinist Front regardless of whether it is organized as a political party or not. Sergio Ramirez, a member of the Junta of Reconstruction and one of the most perceptive politicians, who was recently discussing this topic admitted that there will be a huge tide of socialist-leaning masses inspired and led by the FSLN whose leaders for the most part are Marxists. Angel Luis de la Calle reports.

There are indicators which support optimistic trends in the development of the Nicaraguan political process. A few days ago, for example, the first FSLN National Assembly was held. Its objective was to create a large political party over the broad foundation of Sandinist doctrine. During the final session of the assembly, which was presided over by seven "commanders of the revolution" (five of whom gave a clenched fist salute at the end of the meeting), the agreements reached during the assembly were read: The adjective "joint" will be dropped from the Sandinist Front national executive committee. This was a clear attempt to eliminate, once and for all, the concept of three factions within the FSLN: the Terceristas, the GPP /Prolongued People's War/ group and the Proletarios. It was announced that an organization had been established to define the mechanisms for joining the Front. Also, unconditional support for the Junta of Reconstruction and its government program were expressed. It is important to note that this program guaranteed the exercise of all kinds of freedoms and established a desire to create a democratic and pluralistic political system.

The Sandinists are already making plans to accomplish this. The CDS /Sandinist Defense Committees/, whom many view as copies of the Cuban Committees for the Defense of the Revolution, are tools created to channel the efforts of the community--starting at the home, block and neighborhood levels--toward the tasks of reconstruction. There is no question, however, that they provide an excellent opportunity for indoctrination.

Cuban and Spanish Doctors

There are cries of alarm when a group of Cuban doctors arrives in the country. No one is concerned, however, when Spanish military doctors and nurses arrive as well as a large group of Spanish teachers. Because Tomas Borge celebrated his birthday on 14 August with Fidel Castro (oddly enough Fidel Castro, an old friend of his, also celebrates his birthday on that date), it is interpreted as a sign that "Nicaragua is becoming another Cuba." But no one dares to say that the Government Junta is imperialist because three of its most prominent members met in Washington with President Carter, the Senate Foreign Relations Committee or with the ultra-reactionary Council of the Americas.

Necessary Explanations

There are many things which are gradually being explained in the Nicaraguan revolutionary process. And there are others over which we have no clear ideas about what is happening: the administrative, political, legislative and judicial structures.

Technically, the government is run by the National Junta of Reconstruction, a group composed of five members. It was conceived by the FSLN during the war against Somoza. The Junta is assisted by a cabinet of ministers, each with a specific administrative task.

It is not clear how the national leadership of the FSLN, a group which also theoretically has a hand in running the country, influences the Government Junta or what is the actual relationship between them. Are the administrative decisions of the Junta and the cabinet subordinate to the guidelines of the FSLN national leadership? No one seems to have the answer.

The Sandinist People's Army is another group that seems to stand apart from the Junta and the FSLN, although by nature it has closer ties to the latter. There is a defense minister in the cabinet and, as a result, in the Government Junta, but his control over the armed forces is practically nil. Military decisions are left up to the military staff composed of a group of commanders headed by Humberto Ortega. It should be noted that the army continues to call itself Sandinist and has not changed its name to "Nicaraguan" or "National."

The legislative structure initially called for through a Council of State or "Junta of Prominent Individuals" has not been defined. Neither has the judicial structure. Almost all administration of justice is done through the military and even in civilian and administrative matters the decisions of military courts take precedence.

The "Sandinist People's Militia" appear to be a parallel army. The militia is composed of residents of villages or towns who, either independently or under the leadership of Sandinist regulars, fought against Somoza's National Guard. They have many weapons at their disposal which they obtained during the confusion which followed when the National Guard abandoned their barracks. Until recently they operated as an uncontrolled police force. Much of the new Nicaraguan authorities displeasure in recent weeks has stemmed from the activities of these uncontrolled militias which provide ideal refuge for criminals, adventurers and counterrevolutionaries.

[Part III, 6 Oct 79, p 7]

[Text] Economic recovery is one of the most pressing tasks facing Nicaraguan officials and its importance

affects the rest of the nation's activities. Somoza's conquerors know that no political system, regardless of its philosophy, can aspire to achieve permanent stability without a sound economic base. That is why so many of their efforts are devoted to that sector. Our Latin American correspondent Angel Luis de la Calle filed the following report.

At this time we cannot speak of a rigid, closed system that is indicative of the direction that the Nicaraguan government's economic decisions will take. Alfonso Robelo, a junta member and theoretically one of the most knowledgeable leaders on economic matters, says that a "mixed system" is being used. This system combines the theories of a market economy with nationalizations such as that of the banks or government use of farm land such as the large landholdings expropriated from the dictator and his friends.

Some observers not associated with the government say that government interference in the economy will inevitably grow unless it can sufficiently motivate the private sector which is reluctant to put its existing plants into operation, much less open new businesses. One chain of supermarkets in the country, La Colonia, agreed to reopen its looted branches on the inexcusable condition that the government assume 50 percent ownership. Since Somoza and his followers were majority owners of the nation's key industries, following expropriation, the government has virtually become the primary and almost only industrial promoter in Nicaragua.

This, unquestionably, has posed a serious problem for the government on more than one occasion: It is not an easy matter, for example, to find suitable people to run each industry.

ECLA Report

It is important to remember that many difficulties have been encountered in the few short weeks following the triumph of the revolution. It is necessary to visit Nicaragua and tour its cities to estimate the full extent of the damage caused by the war, looting and people who have fled. A recent ECLA, a United Nations agency, report states that the damage to industries during the fighting is estimated at over \$150 million (nearly 10 billion pesetas) and losses of homes total over \$40 million (2.8 billion pesetas). The report also states that over 35,000 lives were lost during the civil war. ECLA, which praises the "effectiveness of the officials in regaining control over the administration of the country," underscores the difficulties implicit in the reconstruction process.

There are very few people back on the job, especially in the urban areas. While statistics are not available, the optimists say that only 30 percent of the working population is unemployed. The services sector is undoubtedly the least affected. This segment of the production sector shows the greatest vitality at this time and, to a great extent, it has contributed to the growing image of normalcy.

The new situation, of course, has fostered the rebirth of union activities although the organization is still in the planning stages. The CNT [Nicaraguan Confederation of Workers], unquestionably, has the potential for becoming the most important workers force in the country. To date there have been no serious clashes with employers. Some are more interested in making progress and leaving this situation behind rather than making demands. There is tension over efforts by some labor sectors to obtain back wages for the 2 months duration of the war which also coincided with the general strike.

The most serious aspect of the severe economic situation, unquestionably, is the huge foreign debt and harsh conditions under which it was acquired. At present Nicaragua owes over \$1.5 billion (nearly 100 billion pesetas) or the equivalent of 3 years of export earnings or of the GNP for 1 year.

The Junta of Reconstruction has publicly explained its position on this problem before different audiences: As a general principle, the country is not in a position to meet the obligations incurred by the previous regime and it is hoping that the creditors will be understanding when it comes time to reschedule the debt.

At the United Nations Daniel Ortega, a member of the Junta of Reconstruction, made it very clear that Nicaragua did not plan to pay a single cent on the debts incurred by Somoza for the purchase of military equipment or for any other expenditures of this nature.

Speaking of aid, government officials insist that above all the government needs cash. Somoza left behind in the Central Bank deposits of less than \$3 million and during the last few months he took out of the country nearly \$50 million, according to conservative estimates, or nearly all of the nation's foreign currency reserves. Nicaragua will be unable to export very little until the next coffee and cotton harvests.

Various international financial institutions have extended an estimated \$600 million (some 40 billion pesetas) in credits to Nicaragua. However, of these only some \$170 million have been received.

Although the present situation is very serious, everyone in Nicaragua believes that there are more than enough reasons for optimism. The country has enormous wealth, especially if it is taken into account that the population is small. The agricultural sector has great potential. Neither the land nor most of the livestock has been damaged. When the peasants reap their first normal harvest, the country will have an important source of revenues.

[Part IV, 7 Oct 79, p 9]

[Text] It is in their daily lives where one can clearly see the Nicaraguan's interest in forgetting about the past and returning to normal operations which were

disrupted by the war. Although the wounds caused by the violence, destruction, hunger and displacement have not completely healed yet, there is an obvious desire to forget and even greater interest in building the future rather than condemning the past. This reflects traits that are characteristic of the Nicaraguan personality: happiness and optimism. Angel Luis de la Calle who returned to Nicaragua 2 months after Somoza's fall filed this report.

If the dictator's conquerors had devoted the early days following their takeover to seeking vengeance, their actions would have produced a similar reaction from the entire nation and the country would still be submerged in a useless process of retaliation. The Sandinist leaders and even their fiercest fighters preferred, however, to follow their motto to the letter: "Implacable in battle and generous in victory." They established a climate of moderation and harmony which has surprised the majority and has been praised by all. It is, in short, very unusual following an era of indiscriminate repression and an unparalleled cruel war that wholesale repression has not taken place. In the early days following the Sandinist victory, there were a few summary executions but they were only isolated instances.

The jails are filled, naturally, with former national guardsmen, paramilitary elements, known torturers or corrupt Somoza officials. But many more were able to leave the country while the new officials "looked the other way" and others were given asylum in foreign embassies also with Sandinist consent.

Many are still looking for missing relatives. The newspapers daily publish many photographs, most of them of young people, in an effort to learn of their whereabouts or their fate. The army and the Sandinist police frequently discover places where young people showing signs of torture have been buried. Their identity will probably never be known.

Night Life Returns

Despite these sad memories and despite the shortages, there is widespread optimism. Most of the taverns, bars and restaurants have reopened and are full to overflowing every hour of the day. The musicians plaza, a traditional meeting place for night people where musical groups (that now include revolutionary songs in their repertoire) can be hired for a few cordobas, is full of people sipping flor de cana and listening to guitar music and singing. Even the Ricon Español, the former meeting place of Somoza's supporters, is open. Its owner, Julio Tiratas, who was on the Sandinist "wanted" list because of his close ties with the former dictator, cheerfully walks the streets of Managua.

Infinito, the young people's favorite hangout, has also opened its doors although it is only open on Friday, Saturday and Sunday. The three daily

movies, including an evening show, are well attended. The billboard on the 27th of last month included the following shows which in a way are similar to those of any provincial Spanish city that is entranced by "X-rated" movies: "Oversexed," "Seven Nights of Love in Japan," "Nude Against the Wall," "The Female Tourists Want War," "Three Obliging Young Women" and "Women's Pleasures."

The lower visibility of weapons has also contributed to creating a climate of normalcy. During the weeks following the Sandinist victory, the number of machine guns, pistols, knives and rifles that were visible on the streets was frightening. At any corner one could run into a youngster with a red scarf around his neck toting a deadly Galil or Fal which appeared much larger than he was. There is less of this now. The government has decided to see to it that only those authorized to wear a uniform do so. In other words, only those who are members of the regular army, Sandinist police and the 1,500 militia members who will be registered issued a uniform and authorized to carry out various tasks.

Ideological Definition

People continue to read the newspapers avidly and to listen to the radio which is now free to conduct its own programs after 1½ months of an imposed "national network." LA PRENSA continues to keep sentry. The murder of its former editor, Pedro Joaquin Chamorro, ignited the final struggle (the dictator's son, Anastasio Somoza Portocarrero, has been formally charged with authorizing the murder). The newspaper has new offices adjacent to those that were destroyed by the national guard.

LA PRENSA has assumed the role of providing "critical support" to the revolution and in its latest editorials it has insisted on the need for a definition of the new government's ideology. BARRICADA is the official organ of the FSLN. It clearly is a party newspaper whose format, layout and print are reminiscent of the Cuban newspaper GRANMA. PUEBLO completes the trio of newspapers published in Managua. It has a small circulation and it is critical of the government because of what it considers to be the "lukewarm approach" of the new authorities to social changes in Nicaragua. Tomas Borge and PUEBLO's editorial writers are always at each other's throat. Borge calls them "ultraleftist idiots."

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TROTSKIYITES SAID TO HAVE TAKEN OVER TEACHERS STRIKE

Panama City MATUTINO in Spanish 22 Oct 79 pp 1A, 10A PA

[Article: "Trotskyite Forces Assume Control of Strike"]

[Text] Investigations carried out over the weekend enable us to report that Trotskyite forces have taken over the general leadership of the strike by the country's teachers.

Miguel Bernal Assumes Control

The leader of the Trotskyite movement in Panama, Dr Miguel Antonio Bernal, has received ideological training in France and Mexico. He has now taken over the control and strategy of the Panamanian teachers' strike.

Bernal infiltrated the movement along with the Workers Socialist Party, the Guaykucho-new revolutionary left group and the extreme left. He has said he is a representative of the Simon Bolivar brigade, a leftwing group established in Colombia.

Since the beginning of the strike, Bernal has been a key adviser for the teachers and now sits at the negotiating table as a replacement for one of the teachers' leaders.

Demonstrations and Street Rallies

Street demonstrations have been under the leadership of these groups which have established a method of blocking traffic precisely when offices and work centers close. They also use the tactic of blocking streets, holding rallies and using loudspeakers to harangue the people. Psychologically, and as part of their Trotskyite tactics, they try to create panic and hysteria. They have filled the classrooms of the Republic of Venezuela school with food collected from stores to exaggerate the hunger of the striking teachers.

Firearms

They have also spread the rumor that arms are needed and that weapons should be taken to the Republic of Venezuela school. Supposedly the

weapons are to defend themselves from attack or aggression by other political forces.

These extreme leftwing forces directed by Dr Miguel Antonio Bernal have permanently installed themselves in the classrooms of the Republic of Venezuela school, even using them as dormitories.

Our journalistic investigations indicate that despite the recent government proposals to solve the educational problem, the leadership, which is politically influenced by the aforementioned groups, does not believe it is advisable to consult with the rank and file as a political party has proposed.

The National Opposition Front [FRENO]: An Empty Shell

They also do not think that the intervention of providential leaders to organize the people is necessary. (Example: Dr Arnulfo Arias)

Concerning future strategies and concepts, those leaders have established that FRENO is an empty shell. He who could well be called a leader is no longer one since the masses follow their own strategies without having to consult him.

The Democratic Revolutionary Party [PRD]: A White Elephant

They also feel the same about the PRD, which they describe as a "white elephant" that would not support the current government leaders because of a lack of members.

The Trotskyites believe that the government is lost with banners of revolutionary struggles no longer valid since the canal struggle has ended with the militarymen obtaining what they could.

The United States would like to negotiate with a government that does not have the image of a dictatorship. These extreme leftists also believe that the Panamanian rightwing will end up joining the government as the Chamber of Commerce has done.

No Political Parties

The Trotskyite extreme left will organize a revolutionary movement by uniting and organizing workers groups through unions to form an authentic proletarian force. This is illustrated by the bank workers' case.

The ideologues of these concepts have told us that they do not need the traditional and oligarchic political parties to achieve that goal because the 1949 strategy of Arnulfo Arias and Gen Jose Remon Cantera is not historically feasible today.

Torrijos' Head

They believe that their union with the doctors is vitally important to the movement and that just as Dr Broce (ideologue of the doctors' leadership) has stated, the big prize for them would be the political head of General Torrijos.

They think that the new officers of the national guard who have not been submitted to the pressures of the restrictions to quarters would get tired and expel them from power. [Sentence as published]

The key is to continue harassment before and after the return to classes and to continue with other strike movements.

It must be stressed that Dr Edison Broce also belongs to the radical groups of the local extreme left.

It is known that these leaders will continue to use the economic support of certain rightist groups who have been displaced from power. Likewise, these rightists think they can regain power by using the leftists in movements which serve as a front or facade such as demonstrations, the [words indistinct].

CSO: 3010

TEACHERS' MARCH ENDS WITH DEMONSTRATION IN CAPITAL

Panama City CIRCUITO RPC Television in Spanish 2300 GMT 19 Oct 79 PA

[Text] The teachers march from Colon Province to the capital culminated today with a demonstration by several thousand people in the main streets of the capital. Hundreds of teachers from Colon left yesterday at 1830 from the Atlantic Coast city in a march of over 80 km to place greater emphasis on their demands for higher wages and the revision of the educational reform program.

The group of Colon teachers was received at the San Miguelito crossroads by several hundred of their colleagues from Panama City, as well as by delegations of the various schools of the University of Panama. In addition, the group was joined by many parents and groups who have been supporting the teachers in their demands ever since the teachers' strike began 50 days ago.

Among these groups were the Revolutionary Students Front and the Guaykucho-New Revolutionary Left, consisting mainly of students.

The teachers who participated in the march from Colon encountered demonstrations of support and encouragement in all the towns they passed along the Transisthmian highway. In addition, people in those communities came to the highway to offer sandwiches and drinks to the demonstrators along with words of encouragement for their long march and struggle for their wage and educational demands.

The teachers who walked from Colon to Panama reported that it was only at 1000 that their presence on the public highway began to cause traffic jams. This traffic congestion worsened at midday, but the marchers continued on their way, trying to hold up traffic as little as possible.

The people who passed by in automobiles and particularly those in buses also shouted words of encouragement.

During the march, the teachers chanted slogans related to their demands and needs and other slogans criticizing government officials. The teachers

march crossed the San Miguelito special district from commercial hill to the Roosevelt statue and then entered Rio Abajo Corregimiento. Then the teachers marched along via Espana toward the downtown area of the capital. Throughout their course they were joined by other demonstrators, many of whom sympathized with the movement. In the downtown area, they marched down Central Avenue to Cinco de Mayo Plaza, where they turned toward the Republic of Venezuela School, which has been the teachers' general operations headquarters since the strike began.

Thousands of people arrived at the school amidst applause and cheering from several hundred people on Justo Arosema Avenue in front of the school.

The teachers from Colon had completed an arduous journey to emphasize their requests for wage increases, better working conditions and amendment of the educational reform program. Their arrival at the Republic of Venezuela School was characterized by much happy applause and cheering, but many of the marchers showed the physical effects of the effort. A number of persons fainted, particularly female teachers who had completed the intense march.

A group of doctors who are supporting the striking teachers treated the persons affected by the march in the school's classrooms. There were persons whose blood pressure had been affected, teachers with swollen feet from 18 hours of walking on the highway and others with headaches. The great majority of the marchers were exhausted.

CSO: 3010

COLUMNIST ON NEED FOR TEACHERS TO COMPROMISE

Panama City CRITICA in Spanish 18 Oct 79 pp 6, 18 PA

["Reflexiones" Column by Rafael Bolivar Ayala: "Do Not Let the Rope Break"]

[Text] So far, the government and the teachers have not reached a satisfactory agreement. On the contrary, it seems that both parties have hardened their positions as a result of factors which have led to this current situation.

I thought, and so did many Panamanians, that after President Royo's 11 October speech in which he reiterated his decision to indefinitely suspend the educational reform and to open it to broad public discussion among all interested sectors, and his announcement of some economic concessions, a settlement would be achieved since it was the formal and public commitment of the president of the nation.

I subsequently noted that the negotiations were deteriorating into the discussion of small details which, rather than helping to solve the conflict, were becoming an obstacle to an honorable solution for both parties.

On 16 October I watched a television interview with Dr Diogenes de La Rosa whose wisdom and knowledge of the human, political, ideological, and sociological aspects of the Panamanian nation are unquestionable.

In his statements, de La Rosa made very valuable observations on the possible consequences of the national situation and its problems. I agree with the prominent essayist that the chill in the government-teachers negotiations might have been the result of the assumption of the radicalized and at many times extreme positions which have prevented an agreement.

I also share the thesis that the declaration of a national strike involves a clear confrontation of forces and much deeper and more dangerous situations than just the union demands which gave rise to the teachers' strike.

When a decision is made to call a national strike, one which many persons interpret to mean a sitdown strike, it is logical to suppose--as distinguished writer de La Rosa has stated--that it is the last peaceful measure for the

change of some structures--in some cases--on in the worst of cases, for the overthrow of those who hold political power.

I do not know how the majority of the teachers are being consulted but one can begin to note a certain unease among the teachers, among those teachers who have seen and heard over the news media what is the real situation and what has been offered. They are beginning to understand the advisability of reaching a compromise, returning to classes and continuing negotiations.

With great precision, Dr de La Rosa said that in a collective negotiation, the demands and real possibilities are examined and when the culminating point is reached one compromises with the hope of negotiating in the future. But it is evident that this has not been the spirit of those who have had the power to negotiate so far. I ask: How far do they want to stretch patience?

CSO: 3010

LIBERAL PARTY COMMUNIQUE ON COUNTRY'S SITUATION

Panama City Televisora Nacional in Spanish 0335 GMT 18 Oct 79 PA

[Communique issued by Liberal Party on 16 October--read by announcer]

[Text] Declaration of liberalism to the nation, the political forces and the government.

Liberalism, as an unquestionable expression of Panamanian national feeling and as the ideological foundation of the nation's political organization since the 19th Century, is fulfilling its duty by expressing its view and position regarding the country's very serious situation. The teachers' strike is an indication of the crisis which has affected the economic, political, social and moral foundations of the Panamanian community since the 11 October 1968 coup d'etat. The teachers' movement has become a social and national protest because it is the result and confirmation of the people's discontent and dejection in view of the unprecedented errors committed by the current regime in economic, administrative and political areas. The regime has obstinately and unrepentantly continued to commit those errors.

The reply given to the teachers' just wage demands is based on the fact that the national treasury cannot withstand their cost. This is due solely to the regime's inability and irresponsibility in handling the national economy and primarily to the dreadful squandering of the large available fiscal resources. With a notorious lack of foresight, the regime initiated a number of huge projects which cost more than the country could afford. The result is evident. It has seriously affected the middle class and unmercifully harmed the country's poor masses.

As a result of the aforementioned and the external factors which have been widely publicized but to which the regime paid no attention--because it was to its advantage to continue talking about prosperity--economic growth declined in 1974 and has continued to drop while prices have increased, domestic production and private construction have remained stagnant and the public debt has increased. At this time there is increasing

unemployment; the total public debt amounts to close to \$3 billion and the payment of interests and capital absorbs more than half of this year's budget.

Repeated errors, squandering and abuses have brought the nation to its current situation. Discontent is the natural consequence and it is evident in all sectors of the republic. The 9 October demonstration, the largest ever to be held in the country, was both a confirmation of the admirable civic spirit of the Panamanian people as well as a national repudiation of an educational reform which has been rejected because it is contrary to our people's feelings. That demonstration had an even greater significance. It proved that the country is deeply divided. Liberalism has repeatedly denounced this. The nation is divided and as such solutions cannot be sought to the country's great and serious problems--primarily the reintegration of the canal area and the use of its resources.

In view of the current circumstances, we believe that it is essential that mental, social and political conditions be created to enable the achievement of a national solution to problems. Nevertheless, there are indications which lead one to believe that the regime thinks differently. We refer to two recent statements which openly threatened the people that a severe repression will be unleashed if they continue to civically and vigorously exercise their legitimate right to freely express themselves in the streets, squares and news media. Faithful to the ideals of liberty which have always been supported by the Panamanian people, liberalism firmly protests such a threat.

Liberalism also views the 9 October march as an expression of the unity of the Panamanian people in their struggle to achieve real democracy and as a call for a sincere national understanding, recognizing that only through common efforts can we rescue the nation from its critical current situation. Liberalism, aware of its duty to the fatherland, its duty of yesterday, today and tomorrow, will give attention to any initiatives which will make possible the solution of these problems. The nation cannot solve them while it remains deeply divided.

Panama, 16 October 1979.

[Signed] Liberal Party, Political Committee, Dr Arnulfo Escalona Ríos, President; Dr Joaquín Franco Jr, First Vice President; Rodolfo Chiari de Leon, Second Vice President; Julio C. Harris, Secretary General; Carlos Orillac, Treasurer; Rafael Fernández Lara, Secretary of Records and Correspondence.

CSO: 3010

MINISTERS HOLD NEWS CONFERENCE ON STRIKE SITUATION

Panama City Domestic Service in Spanish 2106 GMT 17 Oct 79 PA

[News Conference by Gustavo Gonzalez, Minister of Planning and Economic Policy; Oyden Ortega, Labor Minister and Gustavo Garcia de Paredes, Education Minister at Planning Ministry--live]

[Excerpts] [Question] Ministers, the question everyone in Panama is asking, particularly parents whose children are in school, is how long this situation is going to last. In view of the fact that these negotiations cannot last indefinitely and the teachers are steadfastly maintaining their position, and since the government, through the education ministry, says it is economically incapable of satisfying the demands of the teachers, what measures does the government plan to take with regard to this situation?

[Ortega] Before I give a specific answer to that question, I would say that it brings to the fore an important issue. That is: How long can these negotiations continue? We say with the utmost sincerity, we can say as negotiators who have seen the other party refuse to make counterproposals when we make proposals, despite the knowledge that we are making proposals on the basis of public expenditures--if we were dealing with a company we owned, the situation would be different--that when we see that two new points are brought into the negotiations--the case of the organic law and the matter of the educational reform which were not discussed until 19 September--we become concerned.

When aspects such as incentives, the payment of back wages, which were not in their original proposal and cost almost 2 million are introduced; when in an attempt to solve the matter of the retirement--the matter of 28 years' service--we said that we agreed to have the social security fund study the possibility of meeting this demand and that consequently we could not answer immediately, because to give an answer we might have to wait 1 or 2 months and the strike had already been underway almost 2 months, the teachers responded to our decision that we could not agree to retirement in less than 28 years with the counterproposal they wanted a geriatric hospital, which could cost us \$10 - 15 million, then our concern becomes even greater.

And it is greater because you know that this was never included in the negotiations. It was brought up later by a group which does not really work in a sector that would require a project of this nature.

Therefore this presentation, which we are making with the greatest sincerity, leads us to the conclusion that these negotiations could go on for a very long time.

[Question] How much time remains before the school year will be lost?

[García de Paredes] We really believe that we are at a critical point. We really believe it is urgent that--for the good of the students--the teachers be in classes no later than Monday, to avoid a crisis whose solution will not be to the advantage of either the students or the educational system, which will be greatly disrupted.

Therefore, we call attention to this red-light situation, to the fact that we have reached the limit, that the students who have previously been affected will again be adversely affected; that it is necessary to start classes, no longer because the government is demanding it, not because of a position of intransigence by either party because it is no longer a problem of one party or the other. It is a problem that is affecting the students. Either we make a decision before Monday or we will be entering a dangerous red zone, with negative effects.

So far we have not wished at any time to take the drastic position of forcing a return to classes, because we do not believe that is the proper way to do things. We feel the proper way is through understanding, the realization that third parties are being harmed. We have not been intransigent. We have gradually been making concessions and improvements, but we have reached a limit which we can exceed only irresponsibly. If we pass this limit, we could enter such a dangerous area economically that we would restrict the development of the economy. We would increase prices. We would put other sectors in the position of being unable to bear the increase in the cost of living and have to answer to their demands too. We would increase debt. In other words, we are advancing, and it is no longer a matter of whimsy, or arrogance or intransigence. We have simply reached the point of being unable to give more, because there is no way to do it, because there are other problems which also have to be considered.

Therefore what we are trying to say is that it is not a question of the government trying to win. This is not a war. It should not be seen as a war, because if it was a war we would have already changed positions five times. Therefore it is not a question of not wishing to change positions; we have already changed to the limit of our possibilities.

This has been the product of hours upon hours of meetings within the government, the cabinet, the general state council, the entire planning ministry, finance, to consider the resources, the possibilities, the juggling, the changes. There comes a time when we can go no further, and this has been the final result.

Therefore one is forced to call on the educators to realize that we are injuring third parties. They are the most important thing in the system. More important than the education ministry and the teachers are the students. Something must be done for them. One must take the position that even if negotiations continue classes must be given. But if those students are not in school by Monday, they will be facing a very serious problem with regard to their graduation and entrance into university as a result of interruptions year after year which are greatly reducing the number of days they are in school.

[Question] A question for the labor minister: When is a strike legal?

[Ortega] According to the labor code, for a strike to be legal many requirements must be met. One is that a list of demands must be presented to the administrative labor authority. This list has to conform to certain formalities and must primarily indicate the objectives of the strike and the economic requests that are being made. There must also be a period of conciliation of approximately 52 days before the strike is declared.

If those steps are not taken [does not complete sentence]... In other words, the first step is the presentation of the demands and then the negotiation of the demands, possible extensions of these talks with the participation of officials of the [labor] ministry, followed by a period of 20 days in which a strike declaration must be issued. These steps are inflexible; they are formal. The law says that if they are not followed then the strike is illegal.

This therefore, is applicable to any worker. These requirements for a strike must be met. This is the case with government workers, the teachers who work in government schools. In the case of teachers in private schools, the situation is different, because since the strike of the teachers from private schools is a strike in solidarity, then the code says that it must necessarily be staged only once, to be legal, and for a maximum duration of 2 hours.

The code also states that this solidarity strike must be staged in support of a legal strike. If the initial strike is illegal--and it is illegal from every viewpoint--the solidarity strike is doubly illegal because it was not staged for 2 hours on a single occasion, but has instead been staged for an indefinite period and, moreover, has been staged in support of an illegal strike. Therefore we are facing an action that is quite illegal from the viewpoint of Panamanian law.

[Question] Did the teachers fail to comply with these requirements?

[Ortega] The teachers did not comply with any of these requirements.

[Question indistinct]

[Ortega] Any popular demonstration is an expression of a sector of the citizenry which must be taken into account by a government. We have always

maintained that in view of the situation in the world, from which Panama has not escaped. There are problems [malestares] of all kinds, including economic problems. We also realize that there are problems resulting from the deterioration of the cost of living [as heard]. This government in the past 12 months has taken measures such as increasing the minimum wage and increasing the wages of private enterprise employees and even government workers in an attempt to see that those tensions which are produced by a deterioration in income are not increased, but rather that mechanisms are sought to avoid an explosive situation in Panamanian society.

To the extent that a government fails to pay attention to these problems from this perspective and through this prism, those problems can become greater. We see the issue of the march within this context. Of course, it included the expression of political parties which oppose the government. There were teachers, there were supporters of the teachers and there was a large number of people who were expressing a viewpoint which is natural to them. However, what we wish to say is that of course we value these demonstrations as an expression of the people, and no government can fail to take measures to make social situations more bearable within a country and a society like ours.

[Question] [Words indistinct] would you be willing to resign?

[García de Paredes] I think, Hernandez, that it is not a question of individuals. I believe the question cannot be analyzed here on a personal basis. This involves a number of factors which go beyond the matter of individuals. In this case, for example, it is not a single minister who is negotiating. The three ministers represent the government. They know the limitations of the government. Therefore the problem is not one of individuals. If it were, the proper solution would have been sought. This is a problem of a position of the government on the basis of its possibilities and a position of teachers who want more than the government is able to give.

[Question indistinct]

[García de Paredes] There has been no mention of my being an obstacle. So far it has never been mentioned that the obstacle is a single person in particular. But if this were the case, have no doubt that if a single person were the obstacle--no matter which member of the cabinet, and I speak for them all--he would not be the least hesitant to withdraw. No one is so determined to hold on to his post as to remain despite the knowledge that he is being an obstacle in a situation.

[Ortega] With regard to that question, I believe that when we make explanations it should be noted that as the negotiations have advanced, new issues have been brought to the negotiating table. Therefore there could hardly be some other aspect that must be solved for an agreement to be reached. It is simply that points have been raised and discussed which have not been accepted. As I noted initially, in negotiations it is necessary to yield.

There are no winners or losers. The government has viewed it in this light, and this is the light in which the teachers, through their leaders, should also see it, because time is passing, to the detriment of all Panamanians.

Finally, I think it is worthwhile for this to be made very clear, because otherwise, we will be back at the crossroads of asking who wants to talk and who does not, who is the more intransigent and who is not. We have simply taken advantage of this news conference to express the coherent position of the government, the very flexible position of the government, one that is very balanced, very impartial, very well-thought-out. We have nothing more to say than that we are appealing to the citizenry in general. It is necessary to reflect on the period that we are experiencing, on the need to stop and think if how to solve a basic problem.

The government has already taken those steps. It has taken them on various occasions. The government has already said that as far as educational reform is concerned, it has been decided to open the program for participation by everyone. The government has said through its most authoritative spokesman, the president of the republic, that meanwhile there would be a suspension in the application of provisions of that educational reform program, precisely to make it clear that the government is acting in good faith.

As far as the educational reform program is concerned, this was presented to the teachers and they accepted that formula. They agreed to this suspension, with the understanding--this they said themselves--that it is not a question of dismantling the basic schools which already exist, because this would mean that some of their fellow teachers would be without work, but that there should be participation by the entire community in the revision of program.

Since this problem no longer exists, since the problem of the educational reform program no longer exists, since on each of the other points we have taken a step forward, I believe it is important that the entire citizenry be aware of this and that harmony be sought within the Panamanian family to solve a basic problem.

[Garcia de Paredes] Before we hear the last question, I would like to add something, because this is a problem that is important and many questions have been asked about it, as Minister Ortega has said. It concerns the matter of the educational reform program.

As Minister Ortega has said, the entire citizenry is familiar with a note written by the president of the republic instructing the education ministry to stop the educational reform program and to call upon a number of sectors to participate in the discussion of it.

However, it was said that the minister had done nothing in this regard. There was much comment in this regard. Then the president gave his speech in which he emphasized those principles, and I believe that he spoke very clearly.

It is important that today, also, it be explained to persons who still ask and have doubts in this regard. We have already established instruments and given orders within the education ministry to suspend the educational reform. What does this mean? It means suspension of all expansion of the program, suspension of all changes. It means stopping the educational reform program and then calling a meeting in which all professional associations, organizations and so forth are represented, in order that there may be a national discussion and decisions and recommendations may be made and studied and finally a document issued for the consideration of the entire country on the Panamanian educational program.

This does not mean that the basic schools will be closed, because those basic schools are in operation with students. Nor does it mean that the middle-level technical and professional levels will be halted now, because they are in operation with students enrolled. We understand that no one is against the basic schools because they have the same programs as the elementary schools, with the difference that they have agricultural, commercial or industrial classes to allow the student, in addition to his regular curriculum, to be familiar with some of these technological areas. When he reaches the 9th grade he can transfer to any other school with no problem because he is properly trained to do this. This individual can become a doctor or a professional or anything he desires because he is trained to do so.

In any case, what we can say is that all the decisions reached as a result of this great national discussion will be implemented throughout the national education system. That is what we aspired to, first through the national education council--which will present a paper on what the national education system should be--and in addition, through the nationwide committee, which we consider important and, which will not only include organizations here in Panama, but also organizations from Chiriqui Province--because it is a province which has shown great interest in the educational reform. The province of Veraguas should be represented because it also has a large number of basic schools and reformed middle-level schools. All the provinces should also make a specific contribution of their experience to the national education system.

This means that there is no inflexibility, that within the educational reform program there is no foreign ideology of any type. It is simply a system in which the individual receives, in addition to [academic] training, the opportunity to acquire some kind of technological knowledge in order that he may be prepared to work if he does not wish to continue his education and may enter the labor force. This is a contribution to his development. These are topics which must be discussed so that they may be understood without secrets, in order that all interested groups may see that the education system exists for all Panamanians.

CSO: 3010

MORALES INTERVIEWED BY 'O ESTADO DE SAO PAULO'

PY171656 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Oct 79 p 8 PY

[Text of exclusive interview with Peruvian President Morales Bermudez before leaving for Brazil]

[Text] [Question] Mr President, on the eve of your trip to Brazil, can you make an assessment of your meeting with former President Geisel on the Amazonas River? How had the implementation of the agreements signed at that meeting developed?

[Answer] As I already said before, I feel that the meeting had had positive results, because we had committed ourselves to work in several areas which are offered for cooperation between the two countries. The agreements have been implemented in various manners. It is true that with the passing of time, it is appropriate to make a new joint balance, to make the necessary readjustments and to offer a new impetus to the cooperation between Brazil and Peru.

[Question] Mr President, would you repeat your wish that the armed forces must return the power to civilians during the next few years?

[Answer] It is not just a personal desire, it is more than that. It is a commitment of the armed forces and, in that regard, the timetable will be totally met until the total transfer of power is achieved.

[Question] The Peruvian constituents have approved a charter which has not been signed because it is partially incompatible with the guidelines established for the political transition of the armed forces. Can you tell us, Mr President, what those guidelines are?

[Answer] I must explain that the guidelines established by the government involved certain transitory measures which referred to already fulfilled acts--such as the ratification of the human rights pact--or guidelines which, in other cases, tried to carry out government acts. The constituent assembly had been called to prepare a new constitution for the country, and the transitory dispositions could not go beyond that, since they were designed to establish the transfer proceedings.

Now that those observations are explained, I can say clearly that there was no pressure by the government on the constituent assembly in carrying out its functions. And the charter approved is the result of their deliberations and agreements, without any interference.

[Question] Do you believe it is possible, after the establishment of a civilian government, that the Congress will take the initiative to judge its government, on the basis of the same initiative taken against General Odria?

[Answer] I cannot predict what the new Congress will do. I do not believe, however, that within the spirit of today's political organizations there would be interest or a desire to make a judgment against the government of the armed forces. It would involve a return to long-past stages of our politics.

[Question] In your opinion, what are the main results achieved by the revolutionary model of the Peruvian armed forces, self-defined as equidistant between capitalism and socialism?

[Answer] I feel that a short summary would still be too long. But anyhow, I think I can state in a few words that we have profoundly changed the archaic structure of the Peruvian agriculture, and at the same time, through the mechanization of the industry sector, the participation of workers in the production and profits of the companies is motivated; thanks to a policy of recovering our natural resources we now have greater control of the use of these resources; we have also created the conditions to endow Peru with a structure which may turn it into a modern and considerably strong state; in the field of foreign policy, we have affirmed—with facts—our Latin American aspiration which impels us to walk toward the Third World, allowing the country to hold a position of independence, vanguard and dignity.

Putting it briefly, we are relinquishing a country established on a new social basis, capable of forging a future of prosperity and greater justice.

[Question] The figure of APRA leader Haya de la Torre had been considered of vital importance for some kind of agreement with the current regime and for the period of transition moving toward democracy. In general, what is the political situation after the death of the APRA leader?

[Answer] I think the great significance Haya de la Torre had in Peruvian political life over the past 50 years had made us think that the process of transfer of power was linked to him, and that his regrettable death had left that transfer in suspense.

None of that is true. The transfer of power will be carried out in accordance with the timetable established in advance, and that was the reason for calling the constituent assembly, in which Haya de la Torre received the largest number of votes. I think the coming of age and civic maturity of the Peruvian people and of the political parties will contribute to the consolidation of democracy.

[PY171709] [Question] Peru is now facing a serious economic-financial situation. What are your plans, Mr President, regarding that situation prior to the end of your term in office?

[Answer] We are carrying out a plan of economic reactivation which will allow us to relinquish to the new government a cleaned-up economy, which may offer security for political stability.

This program has yielded satisfactory results up to this moment, and the expectations are quite promising. I do not deny that sacrifices will be necessary, but I do believe that the situation will improve and we are ready to carry out that plan; we are not going to be happy only with the results achieved so far, because in this case we would be jeopardizing the effort made to this date.

[Question] What will be the armed forces' position regarding the situation of civilians, once the new government is established? Would there be any intention to exert some kind of control over them?

[Answer] No. There is no intention to exert any kind of control over them. The political responsibility of the new rulers and the forms of control provided for by the constitution must be the guarantees for the good functioning of the new government.

[Question] Some Peruvian generals have said that the Peruvian armed forces are better prepared than ever. Can that statement be interpreted as a warlike attitude toward Chile?

[Answer] We have no intention of starting a war with Chile or against any other country. But we still hope--and we have thus proposed--that arms control be created in the region. Certainly such an arms control would have to count on the efforts of all and not of one country alone. In this manner we could make better use of our scanty resources.

[Question] What parallel can be drawn between the political openings which are noted in Brazil and in Peru? In your opinion, what is the role of the U.S. human rights policy in these openings?

[Answer] I think it is very difficult to draw parallels since each political process is different and we can fall into generalizations which have very little to do with the real situation. In both cases, I see a firm development toward full democracy.

Regarding the second part of your question, I can guarantee that the U.S. human rights policy has never been directed toward Peru, which has a respectable past in this regard. The transfer of power was a logical process within the revolutionary movement since the armed forces have never had the desire for perpetuation in power. They did, however, have the task of changing the structures to establish the new basis for a more democratic and just society, which must finally be conducted by the Peruvian people and their representatives.

[Question] What is the Peruvian position on the fear among other South American countries regarding the Brazilian "hegemonic pretensions" in America? To what extent could that fact prevent, for example, PETROBRAS [Brazilian Petroleum Corporation] from cooperating in petroleum exploration in Peru, when it is known that PETROPERU is unable to cover with its activities all the Peruvian territory and is ready to sign new contracts with foreign companies?

[Answer] I have always considered that the importance and the development of Brazil do not constitute sufficient reason to speak about "hegemonic pretensions." It has never been demonstrated to this date what those pretensions consist of. But I do firmly believe that Peru and Brazil are walking toward an increasingly broader cooperation. I believe that cooperation must be extended to the process which is seeking the integration of the Andean Group. The cooperation between PETROBRAS and PETROPERU must become a reality if the conditions and technical studies prove to be convenient for both parties.

CSO: 3101

GDR WEEKLY PUBLISHES UNITY PROGRAM OF LEFTIST ORGANIZATIONS

East Berlin HORIZONT in German Vol 12 No 43, 1979 signed to press 15 Oct 79
pp 25-26

[Documentation: "Joint Unity Program of the Leftist Organizations of Peru for the Overthrow of the Military Dictatorship and for an Antiimperialist and Democratic People's Government"]

[Text] A few weeks ago, the Front of Workers, Peasants, Students and the People (FOCEP), the Peruvian Communist Party (PCP) and the Revolutionary Socialist Party (PSR) offered to all other leftist organizations in Peru a unity program for an antiimperialist and democratic people's government, which we are publishing in the following. This program serves as the political platform for the three parties in anticipation of the presidential and parliamentary elections in May 1980.

As an expression of the heroic struggle of the Peruvian people, the preserver of the legacy of Jose Carlos Mariategui (HORIZONT: outstanding Peruvian Marxist and founder of the PCP) as well as in the spirit of the joint struggle by the workers, peasants and students movement and by broad strata of the people that have for years defied imperialism, the oligarchy and the apparatus for political suppression, the leftist organizations, representing the true interests of the people and of the nation, are offering a joint unity program for fighting against and overthrowing their enemies of centuries. In order to fight against and eliminate the incumbent military dictatorship, the reactionary parties, the economic policy subservient to the International Monetary Fund, and the reactionary transfer concept, the leftist organizations are presenting a joint program oriented to an antiimperialist and democratic people's government. To bring to realization this people's democratic alternative, the cohesiveness of the left has to be created through a comprehensive united front that conforms to the current situation and will be a power center with respect to the definitive liberation of our people. To that end it is necessary to work out a unity program at this time and to prevent theoretical or other differences of opinion from burdening the struggle.

(4) abolish any residues of political favoritism, large landed estates and forms of servitude in the countryside, fully support the peasant communities and defend their property and culture, from which their economic development benefits;

(5) rescind all regulations granting big capital tax write-offs, credit and other financial advantages;

(6) change the tax system for the benefit of the people's strata;

(7) eliminate the dependency in the economic, political, military and cultural fields which imperialism has imposed on our country through foreign debts and other ways by no longer recognizing the treaties that violate our national sovereignty and the interests of the people;

(8) have the state continue the successful selling of the export products of greatest economic importance, mainly the products of mining and fisheries;

(9) strengthen the state sector and prevent the reprivatization of state enterprises;

(10) work out emergency programs for food consumption so as to assure enough food for the population (school lunches and milk and so forth);

(11) place the armed forces under the people's power;

(12) hold democratic elections and insure the people's participation in all the functions of political power on the national, regional and communal levels and hold a plebiscite to control the work of the government and the government authorities;

(13) change the constitution in its capitalist, pro-imperialist and anti-people's conception, especially the repressive and reactionary articles dealing with the country's economic system; and

(14) supply the communal and regional government levels with their own funds so that they can be administered under the control of the people's organizations.

We pursue an antiimperialist, nonaligned foreign policy, an integral part of our struggle for national and social liberation and for all liberation activity in Latin America and the whole world. That makes necessary to

(1) preserve and expand diplomatic, economic and cultural relations with all countries in the world on the basis of the principle of equality, mutual respect and noninterference in the internal affairs, and mutual cooperation;

(2) exercise active solidarity with the nations fighting against imperialism, mainly U.S. imperialism, and against zionism, fascism and reactionary suppression;

(3) raising social services by giving the people access to education, public health, telecommunications, transportation, information, recreation and culture. Social insurance must be made available to all citizens including those who today do not as yet benefit from it: the peasants, craftsmen, migratory workers and unemployed. A mandatory educational system free of charge is necessary in the interest of the people, combined with the objective of eliminating illiteracy. It is important to create an autonomous, democratic university dedicated to science and in the service to the interests of the nation and the people, and to introduce an all-round health policy insuring health care for the people; and

(4) defending the small enterprises while seeing to it that their production serves to satisfy the needs of the population and the funds and technology are used appropriately.

III. Means for Obtaining These Accomplishments

Let us fight for establishing an antiimperialist democratic people's government based on the unity of the working people in town and countryside and all the exploited people! Such a government must bring to realization the penetrating economic, social and political changes which are to free Peru from imperialist dependency, satisfy the people's essential needs, guarantee true democracy and pave the way to socialism. The basic government orientations are to

(1) nationalize the large enterprises of the Peruvian strawmen with transnational capital controlling mining, petroleum, fishing, the banks, the finance system, the small trades, the pharmaceutical and foodstuffs industry and the services. That applies to corporations like Southern Cooper Corporation, Occidental Petroleum, Belco and so forth. To assure success for these enterprises and to make sure that they will meet the interests of the people and the nation, the control of the working people over these enterprises and the setting down of production goals and structures are to be guaranteed on all levels, as well as that of prices, set with regard for the needs of the population;

(2) plan the economy through changing its production structure that principally must serve the satisfaction of the people's needs, orient the finances to independent industrialization, the production of goods and the granting of services that will assure the needs for foods, health care, education, clothing and housing, and place foreign trade under state control in conformity with the restructuring of production;

(3) extend the land reform through expanding the agricultural sector, restructure and raise agricultural production, diversify its production, create, under the control of the working people, agro-industrial enterprises and industries for the processing of agricultural products--which will give land or work to the numerous landless peasants--, eliminate the national debt, pursue a suitable price policy for agricultural products--which promotes a proper social accumulation in the agricultural production process--and market the farm products by the farms themselves;

We propose to the Peruvian people and all forces of the left the following political guidelines for our joint program:

I. Political and Democratic Achievements

It is important to insure the inviolability of the citizens' democratic rights and freedoms by bringing to realization a political democracy, respect for human rights and for the right to work, and fair and equal pay. This presupposes

(1) assuring the free right to affiliate, the political and trade union organization of working people in private and state enterprises, and the right of assembly, demonstration and freedom of speech, the right to strike and the trade union right, and participating in all industrial decisions;

(2) strengthening the trade union organizations of the peasants, students and the people and so forth by legislation that will support and further them all-around;

(3) amnestying the political prisoners and insuring their job safety;

(4) assuring the freedom of the press and of information and having the working people control the daily press with the people's and trade union representatives included;

(5) defending and cultivating the cultural legacy of our peoples, fighting against the penetration of our culture by imperialism, officially endorsing the native language, and supporting folklore and folk art; and

(6) assuring the equality between women and men, paying equal wages for equal work, and pursuing an active policy that gives precedence to the protection of mother and child.

II. Economic and Social Conditions

Improving the working people's living conditions requires

(1) raising the purchasing power of the population through periodic wage and salary increases, insuring the people's control over prices, granting gratis services, subsidizing ordinary consumer commodities, and revising the traditional consumption models based on food imports with constantly fluctuating prices;

(2) pursuing a full employment policy that fights against unemployment by redirecting state investments to the underdeveloped areas in the country, focusing industrial production on products that benefit the people, and establishing new enterprises, on state initiative, in the following areas: in the infrastructure (irrigation plants, roads, hospitals, educational institutions, subsidized housing), in mining, industry and fisheries and so forth, providing a maximum of persons employed there and rapid economic results;

(3) extend the relations of friendship and cooperation with the socialist countries and use the great possibilities for cooperating in the economic and technical fields;

(4) act in solidarity with socialist Cuba and support it in its struggle against the blockade of U.S. imperialism, help Nicaragua in its national reconstruction and make our contribution to its holding up against the pressure by the imperialists who seek to make its people's revolution fail, stand by the side of the Chilean people in its struggle against fascism and engage in solidarity with all other Latin American countries in the world that are fighting for their liberation; and

(5) promote a peace policy in favor of international detente, against the arms race, for banning strategic offensive weapons and abiding by all treaties leading to understanding among the nations.

Front of Workers, Peasants, Students and the People (FOCEP)
Peruvian Communist Party (PCP)
Socialist Revolutionary Party (PSR)

5885

CSO: 2300

PERU

BRIEFS

MORALES ON EXPROPRIATED NEWSPAPERS--Brasilia, 17 Oct (LATIN)--The Peruvian president, Gen Francisco Morales Bermudez, today revealed a percentage-based formula for returning the newspapers expropriated by the government to their original owners. At a press conference held today, Morales Bermudez stated that all prior formulas have failed because they were impractical. He said that the solution would be to give the former owners up to 55-percent participation in the capital while the workers would receive the other 45 percent. This would allow the workers to participate not only in the capital, but also in the executive board. The owners would thus have to "put up" with the workers in the process of decision-making in the enterprise, Morales Bermudez added that this would be a "truly social-oriented" formula. The Peru Government expropriated five national circulation newspapers to place them in the hands of labor and peasants sectors, but when the time came there were no organizations capable of receiving the journalism enterprises, Morales Bermudez said. He added that in view of this the government was forced to appoint temporary directors, and this situation must now be solved in some way. He indicated that there is total freedom of press in Peru and stated that many times "I have been horrified" at the freedom the newspapers have. He said that some of them not only criticize, but offend, lie about and even insult the government. [Text] [PY191733 Buenos Aires LATIN in Spanish 0037 GMT 18 Oct 79 PY]

CSO: 3010

ECONOMIC INDICATORS SHOW STRONG RECOVERY

Montevideo EL PAIS in Spanish 18 Sep 79 p 8

[Text] EL PAIS was told yesterday by an official spokesman for the government's economic group that, during the first half, the gross national product rose 8.6 percent, indicating a high rate of economic growth. The source noted that a decline was registered in agriculture, but that the entire agricultural and livestock sector had a growth of 2.8 percent with an impetus from the livestock industry, which is responding to the stimuli afforded by the measures of 3 August of last year. During the same period, manufacturing production increased 11.5 percent, and the observation was made that there were "difficulties in the foreign markets." In this regard, the official spokesman remarked that the favorable exporting conditions for Argentina have created a trend that will make it possible to overcome the losses resulting from restrictions in the United States and the Common Market, and certain obstacles in Brazil. The fertilizer sector experienced a 24 percent growth over the same period last year. The automotive industry registered 21 percent, according to the authorized source, who attributed it to the reduction in interest and the continuance of inflation. Construction, in turn, had a growth of 17.8 percent. We present below the account provided yesterday by the official spokesman for the Ministry of Economy and Finance.

During the first half of 1979, there was an 8.6 percent increase in the gross national product in comparison with the same period last year.

All sectors of industry, except agriculture, show a positive trend. For example, whereas in agriculture, a decline of over 2 percent was noted in the harvests, the other sectors producing goods showed rather significant increases: 5.9 percent in the livestock sector; 11.5 percent in the manufacturing industries sector and 17.8 percent in the construction sector.

The services sector as a whole kept pace with the overall growth on the industrial level.

1. Agricultural-Livestock Sector

It is estimated that there was an overall growth of 2.8 percent in the sector during the period in question. As was noted previously, there was a

decline in agricultural production resulting from small harvests in the annual crops (-7.9 percent). As for the investments in permanent plantings and crops, an appreciable increase occurred (+55.1), which did not manage to offset the reduction in annual crops. The latter were affected mainly by the drought which prevailed during the harvest and preharvest period. The crops hardest hit were the summer ones, wherein corn production dropped 58.7 percent and sunflowers 28.2 percent; graniferous sorghum declined 70.7 percent, and sugar cane and flax dropped 21.8 and 21.6 percent, respectively.

As for the other winter crops, except for wheat (the production of which remained stable), they evinced a marked recovery, particularly in the case of malt (+51.4) and oats (+32.3 percent). Positive changes likewise occurred in rice (+9.9), wine grapes (+13.7) and potatoes (32.4).

There was an overall growth of 10.6 percent in the sectors producing goods.

The livestock sector had a growth of 5.9 percent. Except for egg production, which dropped 2.4 percent, the other areas showed increases (bovine cattle, 2.3 percent; wool, 7.3 percent; milk, 6.5 percent; hogs, 19.7 percent; and poultry, 27.3 percent).

It is estimated that the overall progress that the sector is showing is a reflection of the improvement in relative prices that the various sectors have experienced in relation to the general price level. This improvement in relative prices stems from the liberalization measures adopted by the government, particularly during August 1978.

These measures related essentially to the liberalization of prices of meat, grains and oleaginous products, the freeing of free supplies, the free exporting of grains and oleaginous products and the elimination of surcharges on fertilizer imports.

2. The Manufacturing Industries Sector

During the first half of 1979, manufacturing production increased in physical volume at a rate of 11 percent, in comparison with the same period in 1978.

Domestic demand remained steady, but problems were noted in selling certain products on foreign markets.

Among the main factors for expansion in the manufacturing industry, the growth in the construction industry, the increase in the real income of the livestock sector and the decline in the income return on financing assets were noteworthy.

The increased demand from Argentine tourists was concentrated in the areas of clothing and textiles (the latter underwent an increase of 13 percent). It was also reflected in the consumption of certain food products, beverages and tobacco (the food sector increased 6.6 percent, that of beverages, 27 percent, and that of tobacco, 28.3 percent).

The increased dynamism in the industrial sector caused by the growth in the construction industry was evident from the rise in the production of non-metallic mineral products (this branch had a growth of 14.4 percent), and in that of metal products (which increased 17.6 percent).

Moreover, the increase in the real income of the livestock sector had a particular effect on the production rates in the chemical industry (especially in fertilizer and specific products). This branch had a growth of 29.4 percent.

Finally, an increase was noted in the production of durable consumer goods (household electrical appliances and automotive vehicles), which was associated with the overall decline in the interest rates of the leading financial facilities of the economy, and an acceleration of purchases in view of the increase in inflation rates. The growth in the electrical products and transportation material sectors was 28.1 and 21.9 percent, respectively.

From the standpoint of foreign markets, the Argentine market for various products proved to be highly profitable. This fact made it possible for a new exporting trend to begin, mainly involving textiles and textile manufactures for that market.

It should also be noted that the difficulties in exporting to the North American market resulting from the application of "compensating duties" on the part of that country were compounded by the restrictions on imports imposed for certain products by Brazil and for textile products by the ECM [European Common Market].

It should be pointed out that, during this period, the tightening of certain foreign markets was offset by the opportunities offered by Argentina for the sale of our products. For this reason, the exporting trend for manufactured items maintained its upward direction.

Another noteworthy fact is the active trade policy of many exporting firms concerned about the opening of new foreign markets. According to the statements made by the firms, this policy has been devised through visits to the purchasers abroad, the sending of samples and the displaying at international trade fairs and exhibitions. This should make it possible to maintain the rates that have been attained in exporting manufactures.

Another point to be cited is that of the reconversion of the production of certain firms, which has enabled them to maintain the exporting flow. For example, firms which used to produce mainly leather items of clothing, faced with the problems of marketing these products abroad, have been producing textile clothing for which there are still profitable markets.

In the meat-packing and tanning industries, the trend and the production continue to decline. In the first instance, because of the shortage of livestock, and in the second, in addition to the problem of raw material

supplies, the difficulties that have cropped up in the foreign markets where the prices of raw materials exceed those of the manufactured product. Starting last March, this situation tended to become normalized.

The difficulties involving leather supplies were eliminated by the importing of (semi-finished) hides from Argentina.

To summarize, at the end of the first half, the rate of activity is generally regarded as good, except in the case of the meat-packing and tanning industries.

The prospects for the rest of the year are favorable. It is expected that the situation that has been observed will continue at least until the early months of next year.

3. The Construction Sector

The available indicators warrant an estimate of an increase of 17.8 percent in the construction sector's activity for the first half of 1979, in comparison with the same period last year.

Overall, private construction increased about 39 percent, whereas public construction rose by 4 percent.

This increase is due mainly to the great activity that is being carried out by the private subsector in Montevideo and in the Punta del Este area. When the construction permits are considered, one discovers increases of 62.3 percent for Montevideo, and 108.3 percent for Punta del Este.

The projects being financed by the PNV [National Housing Program?] underwent a positive variation of 29.4 percent, in real terms, when the first half of 1979 is compared with its counterpart in 1978. The most important variation in the PNV took place in the private system of housing production (+37.6 percent).

In the public sector of construction, there was a noteworthy increase in MTOP [Ministry of Transportation and Public Works] investments (+16.5 percent) in real terms.

1.1 Gross National Product (Indexes of Physical Volume)

Sectors	Change in first half of 1979 compared with first half of 1978
Agriculture-livestock	+2.8
Hunting and ocean fishing	+83.8
Manufacturing industries	+11.5
Construction	+17.8
Commerce	+14.5
Transportation and storage	+7.2

(continued from previous page)

Sectors	Change in first half of 1979 compared with first half of 1978
Communications	+2.0
Electricity and others	+3.5
Rest	+4.4
Total	+8.6

I.2 Agricultural-Livestock Production (Indexes of Physical Volume)

Agricultural-livestock sector	Change in first half of 1979 compared with first half of 1978
Agriculture	
Annual crops	-7.9
Wheat	+0.6
Oats	+32.3
Malt	+51.4
Flax	-21.6
Sugarbeets	-5.1
Corn	-58.7
Sunflowers	-28.2
Graniferous sorghum	-70.7
Rice	+9.9
Potatoes	+32.4
Sugar cane	-21.8
Wine grapes	+13.7
Investments in permanent crops and plantings	+55.1
Livestock	+5.9
Bovine production	+2.3
Wool	+7.3
Milk	+6.5
Hog production	+19.7
Poultry	+27.3
Eggs	-2.4

I.3 Manufacturing Industries (Index of Physical Volume of Production and Index of Hours Worked in First Half of 1979, Based on Branches of Industrial Production) (First half of 1978 = 100)

Code	Branch	Physical Volume	Index	Hours Worked
20	Food	106.6	1.7	97.4
21	Beverages	127.0	1.3	124.4
22	Tobacco	128.3	1.3	67.0

(continued from previous page)

Code	Branch	Physical Volume	Index	Hours Worked
23	Textiles	113.0	2.2	111.8
24	Footwear and clothing	101.9	0.1	102.8
27	Paper and cardboard	114.8	0.4	110.3
28	Printing	110.2	0.2	105.1
29	Leather	78.8	-1.2	81.3
30	Rubber	104.1	0.1	102.7
31	Chemicals	129.4	2.1	101.4
32	Petroleum byproducts	97.4	-0.1	92.6
33	Non-metallic minerals	114.4	0.5	104.7
35	Metallic minerals	117.6	0.7	108.3
37	Electric products	128.1	1.0	112.6
38	Transportation materials	121.9	0.7	14.9
39	Miscellaneous	130.6	0.5	120.3

2909

CS0: 3010

MARQUEZ ADVOCATES TRUE LABOR UNIONS

Montevideo EL PAIS in Spanish 18 Sep 79 p 1

[Text] In a dialog with newsman, the commander-in-chief of the navy, Vice Adm Hugo Marquez, said: "Although when wages are liberalized the worker will have to reach agreement with his employer, we must not forget something else, namely the labor union area; in other words, the worker is not going to be left abandoned, so that he cannot defend himself alone, individually." He added: "Who can defend the worker better than anyone else? The worker himself, affiliated with independent, nationalist, genuine labor unions; to put it briefly, those responsive only to their own benefits."

'To Arrange the Retirement System'

Subsequently, in his statements made in the port of Montevideo while attending the official reception of the "ANCAP [National Fuels, Alcohol and Cement Administration] IX," Vice Admiral Marquez discussed retirement reform, noting that Institutional Act No 9, relating to social security, would be ready very soon.

In this regard, although he declined to mention any dates, he added that all that is missing are a few details to be arranged, expressing the view that this document would be of enormous importance to the nation.

Marquez commented: "Although the retired person will earn a little more, or there will be other benefits for future retirees, putting the system in order is more important than that;" adding: "If we have as many as 541,000 retired persons, Uruguay would have to be the only instance of this in the world. There are not as many as two active persons for every one retired person.

"There are countries which have 11 active persons for each retired person. The nation cannot emerge from stagnation, and cannot progress if there is something submerging it. There are many retirements and pensions which have been properly granted, because they were well earned. But we also know that there are many among those 541,000 retired persons who did not deserve it equally. Then what we are doing is distributing the poverty."

Job Market

In response to a remark made by a reporter who said that people over 40 years of age were out of the job market, because there were always demands for personnel under that age, Vice Admiral Marquez commented: "That market will expand as a result of national progress. If we are at a standstill, if we have no production and if we have no opportunities, there will be no job market."

"But if the latter expands, and the country continues to progress as it is now, or even at a faster rate, there will be jobs for everyone. We shall have to look for people abroad to come here and work."

Energy Restrictions

When asked about the possibility of a total lifting of the restrictions on the consumption of electric power, the commander-in-chief of the navy replied that such measures are almost nonexistent. Marquez said: "Who would agree that there are restrictions? Is anyone being bothered by restrictions at present? And, furthermore, who would tell me that, despite the ban, any heater was not burning?"

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BRIEFS

OIL TANKER FROM JAPAN--Yesterday morning, ANCAP [National Fuels, Alcohol and Cement Administration] officially received the new river tanker which was recently built in the shipyards of the Tsuneishi Ship Building Company, Ltd, of Hiroshima, Japan. Named "ANCAP IX," the ship has a capacity to transport 3,700 cubic meters of finished products. It was especially designed to combat pollution, and is supplemented with a double bottom and double hull in the entire cargo area. Its equipment includes two diesel engines and a forward propellor to facilitate the mooring maneuvers. The "ANCAP IX" will be used basically for river transportation to the various distributing plants of the finished products entity, and shipping alcohol from Paysandu to Montevideo. The arrival of the "ANCAP IX" was greeted from the dock by national authorities, including the commander-in-chief of the navy, Vice Adm Hugo Marquez; the minister of industry and energy, engineer Luis H. Meyer; the full board of directors of ANCAP, headed by Brig Gen Jorge A. Borad; and the national director of energy, engineer Manuel Berger; as well as other high-ranking members of the official agency. The ship was christened by Mrs Perla Arriera de Borad, who broke the traditional bottle of champagne on the vessel's bow. Later, remarks were delivered by the institution's vice-president, Navy Capt Nelson Baruso, who gave an account of the construction of the "ANCAP IX," which reached our shores on 10 September after having taken off from Japan last July, under the command of Frigate Capt Eladio Moll. Baruso added: "With the purchase of this ship, a need is being met, accompanied by the assurance that the purchase was the result of a well earned bidding. Nations and business firms, like people, when they are isolated, become impoverished and weak. The trade relations among business firms, nations and private individuals should be sustained and continuing, for the benefit of the legitimate interests of those concerned." [Text] [Montevideo EL PAIS in Spanish 18 Sep 79 p 7] 2909

ELECTIONS ON SCHEDULE--Reports obtained by EL PAIS fully confirm the fact that the timetable and political guidelines which have been established and constantly stated by the national authorities will be faithfully complied with. This means that the plebiscite on the new constitution will take place next year, according to plan, and that the 1981 elections will be held as announced. This means that the two traditional parties, the Blanco and Colorado, will reach agreement on the selection of a single candidate (as has

occurred four times in the nation's history), who will be inaugurated as president of the republic. The report fully confirms not only what has been announced, but also the comments made in this regard by the commander of the Second Army Division, Gen Julio Cesar Rapela, who reaffirmed the decision that had already been made a few days ago. The dissenting opinion was voiced to press representatives by the state councilman, Dr Julio Cesar Espinola, and the former president of the republic, Dr Alberto Demichell, who expressed their personal view, to the effect that they deem it feasible to have two candidates between whom the citizenry could make a choice. [Text] [Montevideo EL PAIS in Spanish 18 Sep 79 p 6] 2909

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INCREASED OIL EXPLORATION PROGRAMED FOR 1980

Caracas EL NACIONAL in Spanish 25 Sep 79 p C-8

[Article by Cayetano Ramirez]

[Text] Venezuela will intensify its program of oil exploration and reactivation of inactive wells during the coming year to increase its production potential by some 400,000 barrels daily over its current capacity.

The exploration effort is part of the industry's general program of activities that is now in the final stage of being drawn up and is to be submitted for approval to the National Executive by the end of this year.

An industry leader has indicated that the policy lines governing Venezuelan activity in its present phase are aimed at reducing production but at the same time increasing capacity, so as to maximize the country's oil industry's flexibility for responding to any set of conditions, while lengthening the durability of its hydrocarbon reserves beyond a single generation.

The Operating Enterprises Submit Their Business Plans

Yesterday, LAGOVEN began submitting its proposed program for 1980. Petroleos de Venezuela's board of directors met all day with its subsidiary's top management, headed by Dr Guillermo Rodriguez Eraso, to take up the details of the enterprise's proposed 1980 program as well as the expenditure and investment credits to be allocated to it. Everything is put together into a business plan to be implemented next year, which, in accordance with Petroleos de Venezuela's new rules and regulations, requires the approval of the National Executive after being submitted to the parent enterprise's stockholders' assembly.

After LAGOVEN, the other subsidiaries will follow in turn: MARAVEN, MENEVEN, CORPOVEN, as well as PEQUIVEN and the Venezuelan Petroleum Technological Institute (INTEVEP).

Exploration, Production and Refining

A business plan is naturally lengthy and detailed and covers many topics, but the most important ones at this stage are exploration, production and refining.

It is known that this year's exploration effort will be intensified in 1980, with emphasis on drillings offshore, in the lake zone's Cretaceous, and in the Orinoco Belt.

Production will have support from the exploratory sector in adding new reserves, and will be based on drilling of outpost wells as well as on the reactivation and reconditioning of inactive wells.

Refining will follow the already existing long-range program designed to modify previous refining patterns and to achieve a higher order of exploitation of our crudes.

Dr Enrique Daboin, director of hydrocarbons in the Ministry of Energy and Mines, provides us a marginal note to the effect that the program to increase production potential has as its long-range goal 2.8 million barrels daily, to be gradually achieved as the successive stages of the program are implemented. He expressed the certainty that Venezuela will achieve it.

The production effort will be centered mainly on increasing the heavy crudes share of total production, gradually reducing the extraction of lights and mediums, of which our reserves are more limited. Exploratory work has as one of its specific objectives the increasing of lights and mediums, by deep drillings in the Cretaceous and in the seabed.

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PRATS URGES CHANGE IN OIL REFINING PATTERN

Caracas EL UNIVERSAL in Spanish 19 Sep 79 p 2-6

[Text] Caracas, 18 Sep (VENPRES)--Jose Prats, manager of refining coordination planning in Petroleos de Venezuela, S.A. (PDVSA), insisted on the "peremptory" need to change the Venezuelan crude oils refining pattern, at the third oil seminary for journalists held in Puerto La Cruz, state of Anzoategui.

Prats reported that light crudes production potential has diminished while that of the heavy crudes has increased. "Our refineries are for the most part processing fuels from light crudes between API grades 26 and 28," he said.

API (American Petroleum Institute) grades are a measure of the "density" of crudes; that is, when a crude is very thick because of its metals content it is said to be heavy. If the oil contains a minimal concentration of metals, and is therefore more "liquid," it is light.

"Venezuelan refineries are processing 1 million barrels of light crudes daily, and 100,000 of heavy crudes," prats pointed out.

He indicated that the high-octane fuel capacity of our national refineries is 90,000 barrels daily and that currently "there is a shortage of conversion equipment and plants for processing heavy crudes."

He said that PDVSA is currently carrying out the work necessary to change refining patterns, with the principal object of processing mainly heavy crudes to obtain gasolines.

Prats pointed out that the groundwork for these refining changes in the Venezuelan refineries is well advanced and that the changes will become operational by 1981-1982.

"However," he added, "PDVSA will implement new plans in the refining strategy for 1986."

He indicated that 178 million bolivars will be invested in the Punta Cardon (state of Falcon) refinery's refining pattern change and that an alkylation plant (a process for extracting high-octane gasolines from crude) is being built that will produce 60,000 barrels of fuel daily.

He revealed that 1.3 billion bolivars are being invested in the Amuay refinery, in the state of Falcon, and that a "flexi-coking" unit (a process for extracting high-quality gasolines from high-sulfur-content fuels) is being installed there.

He said that a thermal cracking plant (a method of separating crude into its various components by means of high temperatures) and a catalytic cracking unit (a process for converting heavy distillates at high temperatures and low pressures into lighter and higher-quality products) are being added to the El Palito refinery in the state of Carabobo.

Prats warned of the need to implement a national automotive plan to slow the growth of domestic gasoline consumption, pointing out that 75 percent of Venezuela's fuel production is being consumed domestically at present.

The national level of gasoline consumption is 258 million barrels daily.

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BRIEFS

VENALUM 1979 EARNINGS--Puerto Ordaz, 22 Sep (Special)--VENALUM earnings this year are estimated at 650 million bolivars, it was announced by chemical engineer Enrique M. Castells, vice president and general manager of the aluminum enterprise, located in the industrial zone of Matanzas. Engineer Castells explained that VENALUM is working at 45 percent of its productive capacity, and that it hopes to reach full capacity in 1980. He added that the aluminum enterprise had earned 8 million bolivars in July, 3 million in August and was anticipating earnings between 15 and 20 million bolivars in September. He also announced that future planning is under study to raise VENALUM's production to 1 million tons of aluminum annually. "The Venezuela of today will have to rely more on aluminum than on steel," concluded the VENALUM vice president. [Text] [Caracas EL NACIONAL in Spanish 23 Sep 79 p D-25] 9399

VENALUM EXPORTS TO JAPAN--Puerto Ordaz, 20 Sep (Special)--VENALUM will ship 17,000 tons of aluminum to Japan this week for a total value of 23 million dollars more than 94 million bolivars, representing the highest-valued export shipment ever recorded in Venezuela's economic history. Engineer Cesar Mendoza, president of VENALUM, stated that until now no Venezuelan port has dispatched a single-product shipment representing a sum of this magnitude, the highest-valued export shipment known to date having been in the petroleum sector. "This shipment being made by VENALUM from Guayana, representing a single shipment of aluminum for the cited total value, achieves a record in Venezuelan export history," said engineer Mendoza. The aluminum shipment is being loaded aboard the Liberian-registered freighter "Agnes Venture." This ship will take the primary aluminum produced in VENALUM to the principal Japanese ports of Yokohama, Chiba and Shimonoseki, on a voyage to that Asian country estimated to be of 33 days duration. [Text] [Caracas EL NACIONAL in Spanish 21 Sep 79 p A-1] 9399

MARAVEN OIL PRODUCTION--MARAVEN produced 615,000 barrels of oil daily in August, topping by more than 50,000 barrels the daily average in August 1978. An information source in MARAVEN, Venezuela's second largest national oil enterprise, said that the most significant factor has been the change in composition of the production, in that heavy crudes have increased to the point where they now represent more than 50 percent of the total production. Production during August in terms of barrels daily totaled: light crudes 279,434, medium crudes 20,005, and heavy crudes 315,668. The latter figure was reached with the last 36,000 barrels of heavy crude brought in in August, bringing the total daily average to exactly 615,107 barrels. MARAVEN has 5,359 producing wells in the western part of the country, 507 of which are located on Lake Maracaibo. This enterprise, a subsidiary of Petroleos de Venezuela, has its oil centers located in Mene Grande, Colon, Bachaquero, Lagunillas, Tia Juana, Cabimas, Lake Maracaibo, La Concepcion, La Paz, Mara, Mauroa, Motatan (state of Trujillo) and Sibucara. [Text] [Caracas EL NACIONAL in Spanish 25 Sep 79 p D-9] 9399

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